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## Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable RICHARD BLUMENTHAL, a Senator from the State of Connecticut.

### PRAYER

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

Let us pray.

Almighty God, our Heavenly Father, who of Your great mercy promised to supply all our needs, confirm and strengthen us in all goodness and bring us into the joy of abundant living.

Today, give our Senators the gifts of wisdom and understanding, of knowledge and judgment, so that those held captive will enjoy again the freedom and the peace of Your providential love. Help us to show our gratitude to You with words and actions of affirmation. Tune our minds to the frequency of Your spirit as we dedicate this day to serve You.

Lord, we ask You to bless our Capitol Police who risk their lives for freedom each day.

We pray in Your gracious Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable RICHARD BLUMENTHAL led the Pledge of Allegiance, as follows:

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

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, April 24, 2013.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the

Senate, I hereby appoint the Honorable RICHARD BLUMENTHAL, a Senator from the State of Connecticut, to perform the duties of the Chair.

PATRICK J. LEAHY,  
President pro tempore.

Mr. BLUMENTHAL thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE MAJORITY LEADER

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

### ACKNOWLEDGING THE CAPITOL POLICE

Mr. REID. Mr. President, I appreciate very much the Chaplain's prayer, but I especially want to recognize the last line or two of his prayer today where he indicated that he wanted a special blessing on the Capitol Police. I am happy the Sergeant at Arms was here when that prayer was being given, because the Chaplain is right. Every day the Capitol Police protect us; that is, Senators and staff, but also the millions of visitors who come to this massive complex every year. We see them standing there at guard, watching the doors. We need to do that because a few years ago we had some madman crash through the House side and kill some police officers.

We see that things have gotten more difficult since then. We have people standing with automatic weapons. We have bomb squads. We have dogs that work with us so well. We have people who are on bicycles. But with the appropriations process coming soon,—I hope—we have to make sure we supply the Capitol Police with the tools and materials and equipment they need to continue doing their job.

Is it inconvenient for people coming here, and for us on occasion? The answer is yes. But they are doing that for

us, for the people who come to this complex. I want to acknowledge the good Chaplain. I appreciate his remarks on behalf of the people who protect us here every day.

### SCHEDULE

Mr. REID. Mr. President, following leader remarks the Senate will be in morning business until 10:30. Republicans will control the first half, the majority the final half. Following morning business, the Senate will proceed to executive session to consider the nomination of Jane Kelly to be United States Circuit Judge for the Eighth Circuit and the nomination of Sylvia Burwell to be Director of the Office of Management and Budget.

At noon there will be up to three rollcall votes: confirmation of Kelly and Burwell and adoption of the motion to proceed to the Marketplace Fairness Act.

### MEASURE PLACED ON THE CALENDAR—S. 788

Mr. REID. Mr. President, S. 788 is due for its second reading.

The PRESIDING OFFICER (Mr. MANCHIN.) The clerk will read the title of the bill for the second time.

The assistant legislative clerk read as follows:

A bill (S. 788) to suspend the fiscal year 2013 sequester and establish limits on war-related spending.

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

The PRESIDING OFFICER. Objection is heard. The bill will be placed on the calendar.

### MARKETPLACE FAIRNESS ACT

Mr. REID. Mr. President, I had a number of meetings yesterday with Democratic and Republican proponents of the Marketplace Fairness Act. This

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



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S2909

is a piece of legislation that is overwhelmingly supported by Democrats and Republicans. I appreciate the remarks of the Presiding Officer yesterday on behalf of this legislation.

Succinctly, what this legislation would do is level the playing field between online sellers and brick-and-mortar retailers. As everyone knows, we have had a lot of problems with the economy. But in Nevada we have been hit very hard. We led the Nation for 20 years with a vibrant economy. In the last 4 or 5 years it has been difficult. We are doing better now but we are not doing great. For lack of a better description, I was going to say it breaks my heart. I am not sure that is proper. But I feel very badly when I drive in Reno or Las Vegas and see these little strip malls with “for lease” signs. They would not be for lease if they had the ability to compete with these online sellers.

As indicated yesterday on a number of occasions in presentations I heard made, people come to the retailers who pay money for brick and mortar. They will find a pair of shoes, they will find a coat they like, or whatever else, and they immediately walk out of there and go on line and do not pay the sales tax. That prevents that business from succeeding.

The reason I mention this today, we could finish this legislation today, on Wednesday, and move on to the other bipartisan legislation. We have a small number of Senators who are holding this up, stalling. This has 50 Democratic votes and at least 25 Republican votes. I know many of my Republican colleagues want to attend—and I think that is appropriate; I wish I could—the opening of the Bush Library in Texas. Unfortunately, there are Senators who are playing procedural games that are going to prevent that from happening. I do not say this often. There is no chance they can prevail. We have three States basically holding up this legislation. For people to talk, you are coercing us to do something. We are coercing those States to do nothing. Zero. Nothing. We are just trying to make the playing field level.

So I want everyone to understand, just a handful of Senators is preventing us from doing our work. We are going to finish this legislation this week. I know this sounds like me crying wolf, but this may be the time the wolf is really coming.

We have a bipartisan bill we have to move to next work period. It is the WRDA, Water Resources Development Act, supported by one of the most liberal Members of this Senate, BARBARA BOXER, and one of the most conservative Members, Senator VITTER. They have worked out a bill. It has been reported out of their committee. It is on the calendar right now. We are going to move to that.

In addition to that, we have another bipartisan bill in the wings coming out, the agriculture bill. We need to complete those bills next work period, be-

cause we have to get to immigration. So everyone understand, this is not crying wolf. We are going to finish this bill.

I spoke yesterday to Senator ENZI who has worked on this bill for 11 years. I spoke to my good friend—and certainly MIKE ENZI is my good friend; I do not mean to choose favorites here—LAMAR ALEXANDER. They both said we have got to finish this bill this week. We are going to do that. When I have requests from DICK DURBIN and my Republican friends to move forward on this bill, we are going to move forward on it. If we have to be here Friday and Saturday, I am telling everybody we are going to finish this bill.

We have a 3-week work period next time. We have to jam in WRDA and hopefully the ag bill so we can move before July 4 and finish the immigration bill which is going to take up quite a bit of time. We have too much to do when we return from our in-State work period.

I have a lot to do. I have a conference. I am going to do some things there with ERIC CANTOR. We do not do things together very often, but we are going to talk about some issues people want to talk about. I want to be able to do that. It is not here in Washington. If I have to put that off, it would be a shame for me and ERIC CANTOR, and I think the people putting on the conference. But if that is what it takes, that is what it takes. I want to go home. So we are going to finish this bill.

I am going to read an editorial from one of the world's leading newspapers. It says, “Budget Cuts, Minus the Inconvenience.” Headline: Republicans encourage a sequester affecting the poor, but they are furious about travel delays.

Here is what it says. I am not editorializing, I am just telling you what they put in this newspaper editorial today.

On Monday, after the sequester cuts forced the Federal Aviation Administration to begin furloughs for air traffic controllers, delays began to build up at airports around the country. Travelers had to wait, but nothing delayed Republicans from scurrying away from all responsibility. Speaker John Boehner started using the Twitter hashtag #ObamaFlightDelays, the latest effort in his party's campaign to blame all the pain of the sequester on the Obama administration while claiming all the credit for its effect on reducing the deficit.

“Why is President Obama unnecessarily delaying your flight?” Eric Cantor, the House majority leader, wrote in a message on Twitter. If the President wanted to, Republicans said, he could easily cut somewhere else and spare travelers any inconvenience.

As it happens, the sequester law is clear in requiring the F.A.A. and most other agencies to cut their programs by an even amount. That law was foisted on the public after Republicans demanded spending cuts in exchange for raising the debt ceiling in 2012. Since then, the party has rejected every offer to replace the sequester with a more sensible mix of cuts and revenue increases. Mr. Boehner is so proud of that strategy that he re-

cently congratulated his party for sticking with the sequester and standing up to the president's demand for tax increases.

But drastic cuts in spending carry a heavy price. Republicans certainly don't want voters they care about—including business travelers and those who can afford to fly on vacation—to feel it. They continue to claim that the \$85 billion in this year's sequester can be covered by eliminating waste, fraud, consultants, and the inevitable grant to some obscure science or art project. And of course to programs for the poor.

You don't see any Republican hashtags blaming the president for cutting housing vouchers to 140,000 low-income families, which has begun. These vouchers are given by cities to families on the brink of homelessness, and about half of them go to families with children.

There aren't any tweets about the 70,000 Head Start slots about to be eliminated, which is forcing some school districts to distribute these valuable services by lottery.

This is not the editorial. The Presiding Officer's colleague, Senator ROCKEFELLER—a wealthy man with this great name—as a young man went to West Virginia and fell in love with the poor because he was a VISTA volunteer, and he never left. He is now here in the Senate.

Let's get to the editorial. I am sorry about that.

Continuing:

Or about the cuts to Vista [Volunteers in Service to America], which is hurting the program that performs antipoverty work in many States. Or the 11 percent cut in unemployment benefits for millions of jobless workers.

The voiceless people who are the most affected by these cuts can't afford high-priced lobbyists to get them an exception to the sequester, the way that the agriculture lobby was able to fend off a furlough to meat inspectors, which might have disrupted beef and poultry operations. And what was cut in order to keep those inspectors on the job? About \$25 million from a program to provide free school breakfasts.

As bad as the sequester was, it was being made worse by these special-interest demands for exceptions, as well as politically motivated attempts to deflect the responsibility for pain.

The maneuvering shows the futility of trying to reduce the deficit with crude and arbitrary cuts. Both Senate Democrats and the White House have proposed budget plans that replace the sequester with a much better mix of spending cuts and revenue increases.

On Tuesday, the Senate majority leader, Harry Reid, proposed replacing the sequester for 5 months with unspent money from the wars in Iraq and Afghanistan.

This is what one of America's major newspapers said today that millions of people will have the opportunity to read.

The sequester was designed as a tool to bring Democrats and Republicans together to reduce the deficit in a responsible way. By now we can all see that didn't work, and we can see that sequester's costs far outweigh the savings.

As indicated in this editorial, these across-the-board cuts would cost, this year, 750,000 jobs—three-quarters of a million jobs. They will cost us investments in education that keep America competitive. They will cost millions of

seniors, children, veterans, and needy families the safety net that keeps them from descending into poverty.

Most of the headlines are focused on the hours the sequester has cost travelers in airports across the Nation. The frustration and the economic effects of those delays should not be minimized.

The sequester could also cost this country, and humankind, a cure for AIDS, Parkinson's disease, or cancer. These arbitrary cuts have decimated funding for medical researchers seeking cures for diabetes, epilepsy, and hundreds of other dangerous and debilitating diseases.

The National Institutes of Health has delayed or halted vital scientific projects and reduced the number of grants it awards to research scientists. Thousands of research scientists will lose their jobs in the next few months. Research projects that can't go on without adequate staffing will be cancelled altogether. Ohio State University, which is known for more than a good football and basketball team, is also one of the premier research centers in America. Grants for cancer research and infectious disease control have been axed. They are over. At the University of Cincinnati, which is at the forefront in research on strokes—a leading cause of death in the United States—scientists are bracing for some more cuts. Vanderbilt University and the University of Kentucky are accepting fewer science graduate students because of funding reductions. At Wright State University, scientists researching pregnancy-related disorders, such as preeclampsia, will lose their jobs. Boston University has laid off lab scientists, and research laboratories in San Francisco have instituted hiring freezes and delayed the launch of important studies. Grants to some of Harvard University's most successful research scientists were not renewed because of the sequester.

The research I have talked about today—and these are only a few of them—saves lives and saves misery. These scientists are looking for the next successful treatment for Alzheimer's or the next drug to treat high cholesterol. They might never get the chance to complete their groundbreaking work or make their lifesaving discoveries because of these shortsighted cuts.

We have seen the devastating impacts of these arbitrary budget cuts. Now it is time to stop them.

Be prepared, everybody—the House is now working on another bill because we have the debt ceiling coming soon. They are working on another bill to make it even more painful for the American people.

Last night I introduced a bill that would roll back the sequester for the rest of the year, and just like the editorial indicated, it is something we should do. The bill would give Democrats and Republicans time to sit down at the negotiating table and work out an agreement to reduce the deficit in a

balanced way. It wouldn't add a penny to the deficit. It would use the savings from winding down the wars in Afghanistan and Iraq to prevent cuts that will harm our national security and our economy.

Before the Republicans dismiss these savings, they should recall that 235 Republicans voted to use these funds to pay for the Ryan Republican budget. They didn't consider it a gimmick when it served their own purposes.

We can stop the flight delays and the pink slips. We can stop the devastating cuts to programs that protect low-income children, homebound seniors, and homeless veterans. We can stop the cuts to crucial medical research. But Democrats can't do it without Republicans' help.

Republicans overwhelmingly voted for these painful, arbitrary cuts, and Republicans bear responsibility for their consequences. Remember, these cuts came about because of the debt ceiling they refused to move on until these devastating cuts came about, and Republicans bear responsibility for the consequences, from travel delays to cuts to vital programs. Now Republicans must accept that they have an obligation to cooperate with us to help stop these Draconian cuts and mitigate the consequences.

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#### RESERVATION OF LEADER TIME

Mr. REID. Mr. President, I ask unanimous consent that the leader time not count against the hour that is set aside for morning business.

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

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#### RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Republican leader is recognized.

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#### SEQUESTRATION

Mr. MCCONNELL. Mr. President, something really remarkable happened in the Senate last night. It was sort of late in the day, so for those who missed it, here is a little recap.

Late yesterday afternoon the majority leader handed us a hastily crafted bill and then asked if we could pass it before anybody had seen it. Apparently, someone on the other side realized they had no good explanation for why they hadn't prevented the delays we have seen at airports across the country this week, so they threw together a bill in a feeble attempt to cover for it. It is pretty embarrassing.

It actually proposes to replace the President's sequester cuts with what is known around here as OCO. I know this isn't something that will be familiar to most viewers, so let me borrow an explanation provided by Senator Joe Lieberman in a letter he signed with Dr. COBURN last year. Here is what Senator Lieberman said about OCO:

The funds allocated for OCO or "war savings" are not real, and every member of Congress knows this. The funds specified for Overseas Contingency Operations in future budgets are mere estimates of what our nation's wars cost may be in the future. And since it is likely that future OCO costs will be significantly less than the placeholders in the Congressional Budget Office's estimates, it is the height of fiscal irresponsibility to treat the difference between the assumed and actual OCO costs as a "savings" to be spent on other programs.

Let me read that last part again.

It is the height of fiscal irresponsibility to treat the difference between the assumed and actual OCO costs as a "savings" to be spent on other programs.

This is from the man who was once the Democratic nominee to be Vice President.

There is bipartisan consensus that this thing we call OCO is a fiscally irresponsible gimmick. The director of the Concord Coalition has called it "the mother of all . . . gimmicks." The president of the Committee for a Responsible Federal Budget called it a "glaring gimmick." Whether OCO is the mother of all gimmicks or just a glaring one, everybody other than the majority leader evidently agrees on one thing: It is the height of fiscal irresponsibility.

Now, just as important as what the majority leader's proposal is, however, is what it isn't. It isn't a tax increase. That is actually news. The majority leader is clearly ditching the President on this issue. As you may recall, the President has said he would only consider replacing the sequester with a tax hike. Whatever you want to say about OCO, it is not a tax hike—it is borrowed money that will have to be repaid later.

Still, it doesn't punish small businesses the way the President's proposals would. So this is, in a sense, big news. It represents a significant break from the President's favored approach on this issue.

As I said yesterday, the President rejected the flexibility we proposed on the sequester for obvious political reasons. He wanted these cuts to be as painful as possible for folks across the country and to provide an excuse to raise taxes to turn them off. Well, it is simply not working. Even his own party is starting to abandon him on this issue.

The broader point is this: Even without the flexibility we propose, he already has the flexibility he needs to make these cuts less painful. He has it right now. He should exercise it.

I also think we should all acknowledge that there is now a bipartisan agreement that tax hikes won't be a replacement for the sequester. The real solution, as I said, is for the administration to accept the additional flexibility we would like to give them to make these cuts in a smarter way and to get rid of wasteful spending first.

Surely, in the \$3.6 trillion we are spending this year, we could find a way to reduce the spending we promised the

American people we would reduce a year and a half ago when the Budget Control Act was passed and do that in a sensible way. This is what we have consistently said. There is more flexibility in the law right now. We would be happy to give the President even more to achieve the cuts we promised the American people we would achieve. I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Remember, Congressman RYAN, when he came up with one of these budgets, used these overseas contingency funds to balance his budget.

Let's not even worry about that for purposes of this conversation, the overseas contingency fund. Let's just talk about the war in Afghanistan. What my friend is saying is that it is OK to borrow money for the war in Afghanistan but not to use that same money to reduce pains being felt all over America today.

Even Joe Scarborough on "Morning Joe," a former Republican Congressman from Florida, said today that he can't believe that the pain is being felt all over America today and no one is concerned about the war in Afghanistan.

Does anyone think we are going to be fighting a war in Afghanistan 5 years from now, 10 years from now? That is the money people are trying to protect. I hope not. For the sake of my children and grandchildren, I hope we are not still fighting in Afghanistan 5 or 10 years from now.

We are asking to take a few dollars of the \$650 billion that is there—billion dollars—to relieve the pain we are feeling now for 5 months. That is it.

I think it is really unfair that it would be so easy to turn the sequester around and allow us to do something for a long term to take care of this issue, but, no, the Republicans like the pain.

One Republican Senator who came here last night said: Well, why don't we take the money from the construction fund for airports?

Those create jobs.

He said: Why don't we take it from essential air services?

That dog has been here and fought lots of times. That has been stripped bare.

As I indicated in my opening statement, this is supposed to be fair and equal. You can't jimmy things around. It is the same amount of money. The Republicans say: Well, it is the same amount of money, but give more pain to somebody else than the other; just balance it out. The pain is too severe; it can't be balanced out.

#### RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Ms. HEITKAMP). Under the previous order, the leadership time is reserved.

#### MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will be

in a period of morning business until 10:30 a.m., with Senators permitted to speak therein for up to 10 minutes each, with equal time divided and controlled between the two leaders or their designees, with the Republicans controlling the first half.

The Senator from Indiana.

#### FAA SEQUESTRATION DELAYS

Mr. COATS. Madam President, I rise as a member of both the Senate Appropriations Committee on Transportation and as a member of the Senate Commerce Committee to discuss what I believe is a shocking display of mismanagement and incompetence by the leadership of the Department of Transportation and the Federal Aviation Administration.

The Federal Aviation Administration says the sequester will result in as many as 6,700 delays per day. To put this in context, on the worst weather day in 2012, we had 2,900 flight delays. So the FAA's projected 6,700 delays per day would more than double the worst day in 2012.

To me, this is disturbing evidence of the lack of planning on the part of both the Department of Transportation and the FAA, leading up to what we all knew was going to take place—in fact, since the law was signed by the President. We have known for 1 year this may happen. The President signed it into law, and we are now many months down the line and suddenly the FAA came along just a few days ago and said: Oh, we just need to let you know, by the way, we are going to implement this part of the sequestration.

This across-the-board furlough is especially surprising given the previous announcements their guiding principle when implementing sequestration would be to enact a plan that "maintains safety and minimizes the impact to the highest number of travelers." Announcing 3 days or so before they implement this plan that potentially results in as many as 6,700 delays per day minimizes the impact of the highest number of travelers?

This is disingenuous. It is mismanagement at its worst. It is incompetence at its worst. It is a failure to do what every agency has been required to do; that is, plan for this. Now that it has been in law for several months, there is no excuse for simply saying: Oh, we didn't have time to put this in place, so this is what we are going to do.

I voted against sequestration because it treats every Federal program on an equal basis regardless of its necessity, its effectiveness, or whether it is an essential function of the Federal Government.

Clearly, keeping our skies safe and getting our passengers from point A to point B is an essential function. We need those air traffic controllers. The plan that was put forth by the FAA flies in the face of their own judgment and their own statements in terms of what they needed to do.

Instead of furloughing 47,000 employees and causing significant delays for travelers, they should have been seeking reductions elsewhere. We tried to give these essential agencies additional flexibility necessary to do so. Unfortunately, the President did not support that effort, and the majority party in the Senate did not support that effort. Therefore, they have no reason to point their fingers over here and say: Oh, sequestration is so terrible. We never should have been in this position in the first place.

The FAA, for the record, could have considered cutting back on the \$541 million it spends on consultants—in other words, those who have been hired to work at the FAA because the FAA can't do the job themselves, so they need to spend \$541 million to hire outside consultants—and the \$2.7 billion it spends on non-personnel costs. But instead of looking at how to better manage their own administration, they turned to furloughing up to 10 percent of the air traffic controllers, creating up to 6,700 delays per day on the traveling public.

Then they say they haven't had time to work this out. Haven't had time? They have had months' worth of time since the law was signed. How about the time people now wasted standing at airports for 3 and 4 hours waiting to board their plane and the overall disruption this causes? And this is in good weather. That in itself is a lame excuse the FAA has put forward.

I did not vote for the sequestration, as I said before. I thought it was an inadequate way to deal with the necessary need to cut spending here. But the Federal Government says: We would like to do that, but we can't afford to do that right now and still focus on the essential services and give them the opportunity to manage that. Clearly, the FAA and the Department of Transportation have not managed this well at all. This is incompetence.

As I mentioned, Congress was only informed just days ahead of the time of these furloughs. This decision kicked in to the surprise of the airlines and to the surprise of Congress. But clearly what we have learned, despite 1 year of advance warning and refusals to analyze all possible alternatives to minimize impacts to the traveling public—and it is hard to come to any other conclusion—is this is a politically motivated decision to inflict as much pain on Americans as possible in an effort to make the case that sequestration never should have taken place in the first place; that a 4-percent across-the-board cut to the FAA budget is simply something they can't manage. In other words, we would have asked the FAA to do what they did in 2010 with the money that was allocated to them, but they can't do that now. This is 2012–2013 and they need this extra money and they need these hundreds of billions of dollars to continue to hire consultants. They don't want to be asked to make the kinds of decisions every

business in this country has had to make over the last 4 or 5 years during the malaise of economic growth following the recession that has taken place. We shouldn't ask them to do what every family has had to do? Their thinking is: We are the Federal Government. How dare you impose a 4-percent cut on what we do. We need to increase that every year because we need to keep hiring more and paying more consultants. We are not capable of managing.

It is shocking. I hope the President understands if he wants effective, efficient government, he is going to have to hire effective, efficient management. He is going to have to give them the instructions to do what every business in America has had to do during this difficult economy and slow economic growth.

I think we should take a very close look at the kinds of decisions that have been made at the Department of Transportation, the lack of competent management, and the mismanagement of taxpayer money. This administration needs to step up to the plate and be accountable. The President, as I said, created and signed into law the sequestration policy. His administration has known for more than 12 months this policy was imminent and they have done nothing to prepare for it effectively.

Our country is a long way from getting our spending under control, so it is time the administration stops looking for excuses and starts managing its budget effectively.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. HOEVEN. I thank the Chair.

(The remarks of Mr. HOEVEN pertaining to the introduction of S. 794 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

The PRESIDING OFFICER. The clerk will call the roll.

Mr. LEAHY. 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. LEAHY. Madam President, what is in the parliamentary situation?

The PRESIDING OFFICER. The Senate is in a period of morning business.

#### IMMIGRATION

Mr. LEAHY. Madam President, I will be speaking shortly on matters of immigration. I just wanted to report to the Senate that since February the Senate Judiciary Committee has held six hearings on immigration. We concluded the last one yesterday with the testimony of Secretary Janet Napolitano.

In all, we have had dozens of hearings on immigration in the last couple of years, but these six were especially important for the Senate and for our work in the Judiciary Committee. To-

morrow we will put the immigration bill on the Judiciary Committee's agenda.

Under our normal practice, I have consulted with the ranking member. We both agree. The bill would be held over until the first Thursday we come back from our early May recess. This actually works well because it will give all members of the committee, and those Senators not on the committee, more time to read it.

Once we start marking up the bill and voting on it in committee, it would be my intention to not go Thursday to Thursday, which is normal committee procedure, but to hold markups several days a week. I am told that people do not intend to delay this immigration bill for the sake of delay, and I hope that is so. This is too important an issue.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. 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. LEAHY. Madam President, to go back, earlier this morning I spoke of the immigration hearings we have held in the Judiciary Committee and how important they are, not only to the Senate but to the country.

It was an extraordinary series of hearings. Forty-two witnesses spoke about the need for meaningful immigration reform. I believe there is a chance to have real immigration reform this year, the kind of reform that our great and wonderful country deserves. This is a country where every one of us is a child, grandchild, or great grandchild of immigrants; a country where a large percentage of the major Fortune 500 companies were started by immigrants.

We heard from "Dreamers" and farmers, business people, religious leaders, economists, government officials, practitioners, law enforcement advocates, and others. We heard from those opposed to comprehensive immigration reform, and we heard from those who support it.

Since the bipartisan legislation was introduced a week ago, we held 3 days of hearings with live testimony from 26 witnesses. I have accommodated many member requests. I worked with ranking member CHUCK GRASSLEY to ensure that all viewpoints were heard. In fact, no witness he suggested was denied the opportunity to appear and testify. I think we all realize—whether Republican or Democrat—no matter how we may vote, we should have a clear record.

I asked Secretary Napolitano to return to testify, again, even though she just did so in February. She was scheduled last week. But with the horrific circumstances in Boston, of course we

all understood why she had to cancel that appearance. She came yesterday and answered every single question asked of her.

As I said earlier, when we meet tomorrow the right will be exercised under our committee rules to hold over the immigration reform bill for a week. I have discussed this with Senator GRASSLEY, and I think we both agree that this is a wise thing to do, to hold it over and give people that extra time to read the bill. Next week is a recess week, so we will be able to turn to marking up the legislation in May. By that point, the bill will have been publicly available for three weeks before we vote on any aspect of it or consider any amendments offered to it. Everybody will have had a chance to see it. We live-streamed all the hearings. All of this is on the Judiciary Committee Web site.

The legislative proposal we are examining is a result of the significant work on a bipartisan compromise. I do not want to see comprehensive immigration reform fall victim to entrenched or partisan opposition even though it may well exist. In the course of my hearings I quoted my dear friend of many years, Ted Kennedy, one of the lions in this body. In the summer of 2007, he and I had worked very closely with former President George W. Bush to pass comprehensive immigration legislation. But that immigration reform was being blocked in the Senate. He spoke of our disappointment. He said:

But we are in this struggle for the long haul. Today's defeat will not stand. As we continue the battle, we will have ample inspiration in the lives of the immigrants all around us.

From Jamestown, to the Pilgrims, to the Irish, to today's workers, people have come to this country in search of opportunity. They have sought nothing more than a chance to work hard and bring a better life to themselves and their families. They come to our country with their hearts and minds full of hope.

I urge all Senators to consider the recent testimony of Jose Antonio Vargas, Gaby Pacheco, and the families who can be made more secure by enacting comprehensive immigration reform.

The dysfunction in our current immigration system affects all of us. I hope that our history and our decency can inspire us finally to take action to reform our immigration laws. I know this is something my maternal grandparents, who were so proud to come to this country, speaking a different language, beginning a business, raising a family, seeing their grandson become a Member of the Senate, I know that is the way they would feel.

I know my wife's parents, who came to this country speaking a different language, having their children here in the United States and having stood with Marcelle and me and my parents when I was sworn into the Senate, and then watching these children and grandchildren, understand what a wonderful country this is.

We are a great and good country. But we are also a country that becomes greater and better because of the diversity brought to our shores. That is true from the beginning of this country to today. Let's make it possible.

CONCLUSION OF MORNING  
BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXECUTIVE SESSION

NOMINATION OF JANE KELLY TO  
BE UNITED STATES CIRCUIT  
JUDGE FOR THE EIGHTH CIR-  
CUIT

NOMINATION OF SYLVIA MAT-  
HEWS BURWELL TO BE DIREC-  
TOR OF THE OFFICE OF MAN-  
AGEMENT AND BUDGET

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nominations, which the clerk will report.

The legislative clerk read the nomination of Jane Kelly, of Iowa, to be United States Circuit Judge for the Eighth Circuit.

The legislative clerk read the nomination of Sylvia Mathews Burwell, of West Virginia, to be Director of the Office of Management and Budget.

The PRESIDING OFFICER. Under the previous order, there will be 90 minutes for debate equally divided in the usual form. The time from 10:30 to 11 o'clock a.m. shall be for debate on Calendar No. 60, and the time from 11:30 a.m. until 12 noon shall be for debate on Calendar No. 64.

The Senator from Vermont.

Mr. LEAHY. Madam President, just last month Senate Republicans filibustered the nomination of Caitlin Halligan to fill a vacancy on the D.C. Circuit that arose when Chief Justice Roberts left the D.C. Circuit to join the Supreme Court 8 years ago. Caitlin Halligan is a woman who is extraordinarily well-qualified and amongst the most qualified judicial nominees I have seen from any administration. The smearing of her distinguished record of service was deeply disappointing.

Senate Republicans blocked an up-or-down vote on her confirmation with multiple filibusters of her nomination and procedural objections that required her to be nominated five times over the last 3 years. To do so they turned upside down the standard they had used and urged upon the Senate for nominees of Republican Presidents. In those days they proclaimed that everything President Bush's controversial nominees had done in their legal careers should be viewed as merely legal representation of clients. They abandoned that standard with the Halligan nomination and contorted her legal rep-

resentation of the State of New York into what they contended was judicial activism. It was not just disappointing but fundamentally unfair to a public servant and well qualified nominee.

Also disconcerting were the comments and tweets by Republican Senators after their filibuster in which they gloated about payback. That, too, is wrong. It does our Nation and our Federal judiciary no good when they place their desire to engage in partisan tit-for-tat over the needs of the American people. I rejected that approach while moving to confirm 100 of President Bush's judicial nominees in just 17 months in 2001 and 2002.

Had Caitlin Halligan received an up-or-down vote, I am certain she would have been confirmed and been an outstanding judge on the United States Court of Appeals for the District of Columbia Circuit. Instead, all Senate Republicans but one supported the filibuster and refused to vote up or down on this highly-qualified woman to fill a needed judgeship on the D.C. Circuit. Now that Senate Republicans have during the last 4 years filibustered more of President Obama's moderate judicial nominees than were filibustered during President Bush's entire 8 years—67 percent more—I urge them to cease their practice of sacrificing outstanding judges based on their misguided sense of partisan payback.

Regrettably, however, Senator Republicans are expanding their efforts through a "wholesale filibuster" of nominations to the D.C. Circuit by introducing a legislative proposal to strip three judgeships from the D.C. Circuit. I am tempted to suggest that they amend their bill to make it effective whenever the next Republican President is elected. I say that to point out that they had no concerns with supporting President Bush's four Senate-confirmed nominees to the D.C. Circuit. Those nominees filled the very vacancies for the ninth, tenth, and even the eleventh judgeship on the court that Senate Republicans are demanding be eliminated now that President Obama has been reelected by the American people. The target of this legislation seems apparent when its sponsors emphasize that it is designed to take effect immediately and acknowledge that "[h]istorically, legislation introduced in the Senate altering the number of judgeships has most often postponed enactment until the beginning of the next President's term" but that their legislation "does not do this." It is just another of their concerted efforts to block this President from appointing judges to the D.C. Circuit.

In its April 5, 2013 letter, the Judicial Conference of the United States, chaired by Chief Justice John Roberts, sent us recommendations "based on our current caseload needs." They did not recommend stripping judgeships from the D.C. Circuit but state that they should continue at 11. Four are currently vacant. According to the Ad-

ministrative Office of U.S. Courts, the caseload per active judge for the D.C. Circuit has actually increased by 50 percent since 2005, when the Senate confirmed President Bush's nominee to fill the eleventh seat on the D.C. Circuit. When the Senate confirmed Thomas Griffith—President Bush's nominee to the eleventh seat in 2005—the confirmation resulted in there being approximately 119 pending cases per active D.C. Circuit judge. There are currently 188 pending cases for each active judge on the D.C. Circuit, more than 50 percent higher.

Senate Republicans also seek to misuse caseload numbers. The D.C. Circuit Court of Appeals is often considered "the second most important court in the land" because of its special jurisdiction and because of the important and complex cases that it decides. The Court reviews complicated decisions and rulemaking of many Federal agencies, and in recent years has handled some of the most important terrorism and enemy combatant and detention cases since the attacks of September 11. These cases make incredible demands on the time of the judges serving on this Court. It is misleading to cite statistics or contend that hard-working judges have a light or easy workload. All cases are not the same and many of the hardest, most complex and most time-consuming cases in the Nation end up at the D.C. Circuit.

Today's nominee is fortunate to be from Iowa and nominated to a vacancy on the Eighth Circuit Court of Appeals. I fully support confirming her and commend Senator HARKIN for recommending her to the President and Senator GRASSLEY for also supporting her confirmation. The confirmation to fill a vacancy on the Eighth Circuit also demonstrates that the caseload argument that Senate Republicans sought to use as justification for their unfair filibuster of Caitlin Halligan was one of convenience rather than conviction. With the confirmation today, the Eighth Circuit will have the lowest number of pending appeals per active judge of any circuit in the country. Yes, lower than the D.C. Circuit. The sponsors of the partisan bill directed as a wholesale filibuster of the D.C. Circuit do not propose the Eighth Circuit, which covers Iowa, Missouri, Arkansas, Minnesota, Nebraska, North Dakota and South Dakota, be stripped of any judgeships.

Although they unnecessarily delayed the confirmation from last year to this year of Judge Bacharach of Oklahoma to the Tenth Circuit, Senate Republicans all voted in favor of confirming him. They did not object, vote against, filibuster or seek to strip that circuit of judgeships even though its caseload per judge is 139, well below that of the D.C. Circuit.

This Iowa nominee has also proven the exception to the practice of Republicans of holding up confirmations of circuit nominees with no reason for months. The Senate is being allowed to

proceed to her confirmation barely a month after it was reported by the Judiciary Committee. I would like to think that this signals a new willingness to abandon their delaying tactics but fear that it is an exception. To expedite this nomination meant skipping over a number of nominees, including some who have been waiting since last year for the Senate to vote on their confirmations.

President Obama's other circuit court nominees have faced filibusters and unprecedented levels of obstruction. Senate Republicans used to insist that the filibustering of judicial nominations was unconstitutional. The Constitution has not changed, but as soon as President Obama was elected they reversed course and filibustered President Obama's very first judicial nomination. Judge David Hamilton of Indiana was a widely-respected 15-year veteran of the Federal bench nominated to the Seventh Circuit and was supported by Senator Dick Lugar, the longest-serving Republican in the Senate. They delayed his confirmation for 7 months. Senate Republicans then proceeded to obstruct and delay just about every circuit court nominee of this President, filibustering 10 of them. They delayed confirmation of Judge Patty Shwartz of New Jersey to the Third Circuit for 13 months. They delayed confirmation of Judge Richard Taranto to the Federal Circuit for 12 months. They delayed confirmation of Judge Albert Diaz of North Carolina to the Fourth Circuit for 11 months. They delayed confirmation of Judge Jane Stranch of Tennessee to the Sixth Circuit and Judge William Kayatta to the First Circuit for 10 months. They delayed confirmation of Judge Robert Bacharach of Oklahoma to the Tenth Circuit for 8 months. They delayed confirmation of Judge Ray Lohier of New York to the Second Circuit for seven months. They delayed confirmation of Judge Scott Matheson of Utah to the Tenth Circuit and Judge James Wynn, Jr. of North Carolina to the Fourth Circuit for 6 months. They delayed confirmation of Judge Andre Davis of Maryland to the Fourth Circuit, Judge Henry Floyd of South Carolina to the Fourth Circuit, Judge Stephanie Thacker of West Virginia to the Fourth Circuit, and Judge Jacqueline Nguyen of California to the Ninth Circuit for 5 months. They delayed confirmation of Judge Adalberto Jordan of Florida to the Eleventh Circuit, Judge Beverly Martin of Georgia to the Eleventh Circuit, Judge Mary Murguia of Arizona to the Ninth Circuit, Judge Bernice Donald of Tennessee to the Sixth Circuit, Judge Barbara Keenan of Virginia to the Fourth Circuit, Judge Thomas Vanaskie of Pennsylvania to the Third Circuit, Judge Joseph Greenaway of New Jersey to the Third Circuit, Judge Denny Chin of New York to the Second Circuit, and Judge Chris Droney of Connecticut to the Second Circuit for 4 months. They delayed confirmation of Judge Paul Watford of California to the

Ninth Circuit, Judge Andrew Hurwitz of Arizona to the Ninth Circuit, Judge Morgan Christen of Alaska to the Ninth Circuit, Judge Stephen Higginson of Louisiana to the Fifth Circuit, Judge Gerard Lynch of New York to the Second Circuit, Judge Susan Carney of Connecticut to the Second Circuit, and Judge Kathleen O'Malley of Ohio to the Federal Circuit for 3 months.

The nonpartisan Congressional Research Service has reported that the median time circuit nominees have had to wait before a Senate vote has skyrocketed from 18 days for President Bush's nominees to 132 days for President Obama's. This is the result of Republican obstruction. So while it is good that they have allowed this vote on Jane Kelly from Iowa, if it proves an exception rather than a change in their tactics of obstruction, we will recognize it for what it is. Senate Republicans have a long way to go to match the record of cooperation on consensus nominees that Senate Democrats established during the Bush administration.

Delay has been most extensive with respect to circuit court nominees but not limited to them. Consensus district court nominees are also being needlessly delayed. During President Bush's first term alone, 57 district nominees were confirmed within just 1 week of being reported. By contrast, during his first 4 years only two of President Obama's district nominees have been confirmed within a week of being reported by the Committee.

Just before the Thanksgiving recess in 2009, when Senator SESSIONS of Alabama was the ranking Republican on the Judiciary Committee, we were able to get Republican agreement to confirm Judge Abdul Kallon, a nominee from Alabama, and Judge Christina Reiss, our Chief Judge for the Federal District Court for the District of Vermont. They had their hearing on November 4, were voted on by the Judiciary Committee two weeks later on November 19, and were confirmed by the Senate on November 21. They were not stalled on the Senate Executive Calendar without a vote for weeks and months. They were confirmed two days after the vote by the Judiciary Committee. That should be the standard we follow, not the exception. It should not take being from the ranking Republican's home State to be promptly confirmed as a noncontroversial judicial nominee.

The obstruction of President Obama's nominees by Senate Republicans has contributed to the damagingly high level of judicial vacancies that has persisted for over 4 years. Persistent vacancies force fewer judges to take on growing caseloads, and make it harder for Americans to have access to speedy justice. While Senate Republicans delayed and obstructed, the number of judicial vacancies remained historically high and it has become more difficult for our courts to provide

speedy, quality justice for the American people. There are today 83 judicial vacancies across the country. By way of contrast, that is nearly double the number of vacancies that existed at this point in the Bush administration. The circuit and district judges that we have been able to confirm over the last four years fall 20 short of the total for this point in President Bush's second term.

There should be no doubt that these delays, and the vacancies they prolong, have a real impact on the American people. Last week, the president of the American Bar Association wrote in *The Hill* that:

Real costs are often borne by businesses whose viability relies on the timely resolution of commercial disputes, by defendants who lose jobs and sometimes family ties while languishing behind bars awaiting trial, and, ultimately, the public that expects courts to deliver on the promise of justice for all. Our economy depends on courts to enforce contracts, protect property and determine liability. Judicial vacancies increase caseloads per judge, creating delays that jeopardize the ability of courts to expeditiously deliver judgments. Delay translates into costs for litigants. Delay results in uncertainty that discourages growth and investment.

She concluded that "vacancies are potential job-killers." I ask unanimous consent that this article be printed in the *RECORD* at the conclusion of my remarks.

Today the Senate will vote on the nomination of Jane Kelly to the U.S. Court of Appeals for the Eighth Circuit. She has a distinguished career in the Federal Defender's Office, first as an assistant federal public defender and then as a supervising attorney. In addition to working in the Federal Defender's Office, Jane Kelly has also served as a visiting instructor at the University of Illinois College of Law and taught at the University of Iowa College of Law. After law school, she served as a law clerk to two Federal judges: the Honorable Donald J. Porter of the U.S. District Court for the District of South Dakota and the Honorable David R. Hansen of the U.S. Court of Appeals for the Eighth Circuit. Jane Kelly was reported unanimously by the Judiciary Committee one month ago. I am especially pleased that her nomination is not being blocked the way Senate Republicans blocked the nomination of Bonnie Campell, the former Attorney General of Iowa and first head of the Justice Department's Violence Against Women Office. In part because that nomination was blocked, Jane Kelly will be just the second woman ever to serve on the Eighth Circuit.

After today's vote, a dozen judicial nominees remain pending on the Executive Calendar, including four who could and should have been confirmed last year. Like Jane Kelly, they deserve swift consideration and an up-or-down vote.

Finally, over the last several months, I have continued to speak out about the damaging effects of sequestration

on our Federal courts and our system of justice. The harmful effects continue. As a result of sequestration, Federal prosecutors and Federal public defenders continue to be furloughed. In a column dated April 18, 2013, distinguished Federal Judges Paul Friedman and Reggie Walton from the United States District Court for the District of Columbia spoke out against the harmful impact of sequestration. They wrote:

[S]equestration poses an existential threat to the right of indigent defendants to have publicly funded legal representation—a right that the Supreme Court recognized 50 years ago in its landmark decision in *Gideon v. Wainwright*. . . .

[T]he effect of sequestration on the courts severely threatens the rights guaranteed by the Sixth Amendment to those accused of crimes and, in the process, threatens our federal judiciary's reputation as one of the world's premier legal systems. This is a price we cannot afford to pay.

I ask unanimous consent that this column be printed in the RECORD at the conclusion of my remarks.

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

[From The Hill, Apr. 17, 2013]

PRESIDENT AND CONGRESS MUST ACT TO FILL  
JUDICIAL VACANCIES  
(By Laurel Bellows)

The judicial appointment process has been broken for two decades. Through the first two centuries of our republic, the Senate was renowned as the world's greatest deliberative body, the home of lawmakers and statespeople who understood not only the impact of soaring rhetoric but also the value of collaboration and compromise. Senators assiduously exercised their authority to provide advice and consent on judicial nominations. The judicial appointment process was divisive at times, but presidents and senators have historically recognized that stonewalling judicial nominees undermines the independence of the judiciary as a co-equal branch of government. With 86 (one in 10) vacancies on our federal bench and with 37 vacant judgeships qualifying as judicial emergencies, the time for collaboration and compromise is now.

Successive presidents and Senate majority and minority leaders have pointed at each other and claimed with exasperation that their political opponents are responsible for stalling judicial nominees. Neither side is willing to end a process that has degenerated into Beltway gridlock. There are many losers in this stalemate. One is the judicial nominee, whose law practice and family suffer during the extended limbo of the pending nomination. Real costs are often borne by businesses whose viability relies on the timely resolution of commercial disputes, by defendants who lose jobs and sometimes family ties while languishing behind bars awaiting trial, and, ultimately, the public that expects courts to deliver on the promise of justice for all. Our economy depends on courts to enforce contracts, protect property and determine liability. Judicial vacancies increase caseloads per judge, creating delays that jeopardize the ability of courts to expeditiously deliver judgments. Delay translates into costs for litigants. Delay results in uncertainty that discourages growth and investment. With 60 percent more judicial vacancies at present than in January 2009 and pending civil cases in U.S. District Courts 7 percent higher than in 2005, vacancies are potential job-killers.

The U.S. District Court for the Northern District of Georgia has had one open judge's position for more than 1,500 days and another for more than 1,100 days. Federal courts in Arizona, North Carolina, Texas and Wisconsin have similarly long-lived vacancies. In the U.S. District Court for the Central District of California, a venue that recently considered a \$1 billion case, a seat on the Ninth Circuit U.S. Court of Appeals has been open for more than 3,000 days, since 2004.

Vacancies affect our criminal justice system. Major crimes like terrorism, bank robbery and kidnapping are tried in federal courts that are understaffed. Plus, the number of defendants pending in criminal cases before U.S. district courts has increased 33 percent since 2003. The constitutional rights of defendants to a speedy trial are not waived because senators cannot agree on judges. To meet those constitutional obligations, criminal trials receive precedence over civil matters, further adding to the civil backlog. Exacerbating slowdowns caused by vacancies, the courts have announced that sequestration will require staff furloughs. Some courts will not accept civil filings on certain days.

Progress can be made with small steps and collaborative leadership. As a first step, Democrats and Republicans should schedule up-or-down floor votes for those 13 nominees favorably reported out of the Senate Judiciary Committee with little or no opposition.

Second, the 11 nominees who were pending on the floor when the 112th Congress adjourned should be fast-tracked. These women and men nominees already have endured the laborious review process and Judiciary Committee approval. The technicality of adjournment should not stall their consideration.

Next, the Senate majority and minority leaders should agree to prioritize filling judicial emergencies and shorten the period of time between nomination and votes. A nominee for Majority Leader HARRY REID's home state of Nevada has waited more than 200 days without a floor vote. Minority Leader MITCH MCCONNELL's home state has fared even worse. A seat has been vacant in the Western District of Kentucky for more than 500 days.

Finally, the White House should offer a nominee for every open seat on the bench. The many vacancies and anticipated vacancies warrant making judicial vacancies a priority this year. Additional nominations from President Obama will emphasize the responsibility of the Senate to end decades of escalating retaliation against qualified judicial nominees.

Bellows is president of the American Bar Association.

[From the Washington Post, Apr. 18, 2013]

PUBLIC DEFENDERS OFFICES SHOULDN'T  
SUFFER UNDER SEQUESTRATION

(By Paul L. Friedman and Reggie B. Walton)

Paul L. Friedman and Reggie B. Walton are federal judges on the U.S. District Court for the District of Columbia.

Generally, federal judges should not become embroiled in political disputes. But we feel compelled to speak out because sequestration poses an existential threat to the right of indigent defendants to have publicly funded legal representation—a right that the Supreme Court recognized 50 years ago in its landmark decision in *Gideon v. Wainwright*.

Before becoming judges, we served as federal prosecutors and as defense lawyers. As the former, we vigorously pursued the prosecution of individuals accused of violating the law. And upon securing convictions, we aggressively sought incarceration when the circumstances warranted. Our ethical obliga-

tion as prosecutors was not only to secure convictions but also to ensure that the results we obtained were just. Confidence in the justice of an outcome—especially when the accused loses his or her freedom—is maximized only if the defendant has had competent legal representation.

Our adversarial system works best with competent lawyers on both sides. In federal court in the District of Columbia, where we serve as judges, 90 percent of criminal defendants cannot afford to pay for lawyers. Of those defendants, 60 percent are represented by attorneys employed by the Office of the Federal Public Defender for the District of Columbia; the others are represented by private attorneys approved by the court, provided training by the federal public defender and paid from public funds under the Criminal Justice Act. Because of the demanding selection criteria for defense attorneys, the caliber of representation provided to indigent defendants in D.C. federal courts is outstanding. So when a person represented by one of these attorneys is convicted in our courtrooms, we can impose sentences with a high degree of confidence that the defendant's best arguments and defenses were explored or presented.

Sequestration has the potential to alter this reality. Federal public defender offices throughout the country stand to have their already tight budgets reduced significantly. The District's office is poised to furlough each of its lawyers for at least 15 days before the end of the fiscal year on Sept. 30. Also impaired will be its ability to assist private attorneys appointed to represent indigent defendants. Already, we judges are seeing court dates pushed back because lawyers at the federal public defender's office and the U.S. attorney's office are being furloughed.

Lawyers in the federal public defender's office in the District—public servants who earn much less than their private-sector counterparts—must also endure a roughly 12 percent reduction in salary. (The furloughs and salary cuts were poised to be worse, but the executive committee of the Judicial Conference announced efforts this week to help make up the shortfall.) "It's tremendously demoralizing, even for people who are used to fighting against extraordinary odds," noted one federal public defender.

This all seems a heavy price, given that cutting the judiciary's budget will do little to redress the country's economic crisis. The federal courts' budget nationwide comprises only 0.2 percent, or about \$7 billion, of the \$3.7 trillion federal budget, and funding of federal public defenders and Criminal Justice Act attorneys must come from that small share.

"Lawyers in criminal cases are necessities, not luxuries," the Supreme Court said 50 years ago in *Gideon*. A federal public defender in Ohio echoed the sentiment this month: "These are not luxury services that we're providing. These are constitutionally mandated services, and because they're mandated, someone has to do it." When it comes to the constitutional right to the effective assistance of counsel, can we really say, "We don't have the money?"

Alexander Hamilton observed in the *Federalist Papers* that unlike the legislative branch, which "not only commands the purse, but prescribes the rules by which the duties and rights of every citizen are to be regulated," and the executive branch, which "not only dispenses the honors, but holds the sword of the community," the judiciary "is beyond comparison the weakest of the three departments of power." Because it has "neither force nor will, but merely judgment," Hamilton explained, the judicial branch depends on the other branches to fulfill its constitutional mandate.

Particularly as concerns grow about wrongful convictions, it is distressing to see resources so dramatically diminished for those who protect the rights of the poor in the criminal justice system. And the judiciary is virtually powerless to do anything about it. We appreciate that the country's fiscal problems must be addressed. But the effect of sequestration on the courts severely threatens the rights guaranteed by the Sixth Amendment to those accused of crimes and, in the process, threatens our federal judiciary's reputation as one of the world's premier legal systems. This is a price we cannot afford to pay.

Mr. GRASSLEY. Madam President, I come to the floor to speak about the nomination of Jane Kelly. I compliment the chairman for speaking on immigration. I am not going to speak on immigration today, probably, but I hope to be able to speak several times before the bill actually gets to the floor of the Senate, to inform my colleagues about my point of view on the whole issue of immigration. But I can say generally that we all know the immigration system is broken and legislation has to pass. I hope we can get something that has broad bipartisan agreement. Already the product before us is a product of bipartisanship because four Democrats and four Republicans have submitted a proposal for our committee to consider.

I rise today, as I have said, in support of the nomination of Jane Kelly to be U.S. Circuit Judge for the Eighth Circuit. The nominee before us today, Ms. Kelly, presently serves as an assistant public defender for the Federal Public Defender's Office for the Northern District of Iowa. She does that work in the Cedar Rapids office.

She is well regarded in my home State of Iowa, so I am pleased to support Senator HARKIN's recommendation that he made to the President, and subsequently the President's nomination of Ms. Kelly.

She received her BA summa cum laude from Duke University in 1987. After spending a few months in New Zealand as a Fulbright scholar, she went on to Harvard Law School, graduated there cum laude, earning her J.D. degree in 1991.

Upon graduation, she served as a law clerk, first for Judge Donald J. Porter, U.S. District Court, South Dakota, and then for Judge David R. Hansen of the Eighth Circuit. Judge Hansen sent us a letter in support of Ms. Kelly. Before I quote from it, I have confidence in Judge Hansen's words because he was a person I suggested to Republican Presidents, both for district judge and then his long tenure on the Eighth Circuit, and he has been a friend of mine as well.

This is what now-retired Judge Hansen said in support of Ms. Kelly: "She is a forthright woman of high integrity and honest character."

Then he went on to say she has an "exceptionally keen intellect."

Then Judge Hansen concludes by saying: "She will be a welcome addition to the Court if confirmed."

I have no doubt that she will be confirmed.

Beginning in 1994, she has served as an assistant Federal public defender in the Northern District of Iowa. She handled criminal matters for indigent defendants, has been responsible for trying a wide range of crimes. She became the supervising attorney in that Cedar Rapids office starting in 1999.

Ms. Kelly is active in the bar and in district court matters. She presently serves on the Criminal Justice Act Panel Selection Committee, the blue-ribbon panel for criminal cases. She also serves on the Facilities Security Committee of the district court.

In 2004, her peers honored her with the John Adams Award from the Iowa Association of Criminal Defense Lawyers and Drake University Law School. She was unanimously chosen for this award, which recognizes individuals who show a commitment to the constitutional rights of criminal defendants.

The American Bar Association's Standing Committee on the Federal Judiciary gave her a unanimous "qualified" rating.

I congratulate Ms. Kelly on her accomplishments and wish her well in her duties. I am pleased to support her confirmation and urge my colleagues to join me.

This brings us to a point where, as of today, prior to this supposed approval of Ms. Kelly, we have a record in the Senate of approving 185 judges throughout the 4½ years of this Presidency, and the Senate has only rejected 2. That would be a .989 batting average for the President of the United States with his nominees here in the Senate.

As I stated last week, a .989 batting average is a record any President would be thrilled with. Yet this President, without justification, complains about obstruction and delay.

Today's confirmation is the 14th so far this year including 5 Circuit Judges and 9 District Judges.

Let me put that in perspective for my colleagues. At this point in the second term of the Bush presidency, only one judicial nomination had been confirmed. A comparative record of 14-1 is nothing to cry about.

As I said, this is the fifth nominee to be confirmed as a Circuit Judge this year, and the 35th overall. Over 76 percent of his Circuit nominees have been confirmed. President Clinton ended up at 73 percent; President Bush at 71 percent. So President Obama is doing better than the previous two Presidents.

So again, this President and Senate Democrats should have no complaints on the judicial confirmation process. The fact of the matter is that President Obama is doing quite well.

I yield the floor and 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. DURBIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### SEQUESTRATION

Mr. DURBIN. Madam President, this morning our Democratic leader, Senator REID, and the Republican leader, Senator MCCONNELL, came to the floor and talked about sequestration. Sequestration had an overwhelmingly bipartisan vote of 74 to 26. What it said was if Congress, on a bipartisan basis, could not reach an agreement on budget reduction, then automatic spending cuts would go into place.

Unfortunately, we did not reach that agreement. The spending cuts, known as sequestration, went into place, and for the last month or so there has been speculation as to whether anybody would notice.

People are starting to notice because across this country changes are taking place. For example, the Federal Aviation Administration has been asked to cut about 5 percent from their operating budget, such as salaries for employees. Because it is being done in a 6-month period, it turns out to be a 10-percent cut.

What that means, for example, is one of the largest groups of employees in the FAA, the air traffic controllers, is going to go without pay 1 day out of every 10 working days. So with fewer air traffic controllers on the job and fewer people able to direct flights, we have noticed this week that flights are starting to slow down across the country. The FAA estimates that some 6,800 flights a day will be delayed. We have already started feeling that because air traffic controllers are being laid off due to the sequestration plan.

Putting that into perspective, on the worst day of last year, because of weather, 3,000 flights were delayed. Now, on a regular daily basis more than twice that number will be delayed because of the reduction in force of air traffic controllers due to the sequestration passed by Congress.

Senators are coming to the floor and looking for relief from that. Some on the other side are arguing if the Secretary of Transportation just had the power to pick and choose within his Department, he might be able to avoid these layoffs. I don't know if that is true, but I will say that making these cuts at the end of a fiscal year is going to create hardship in a lot of different departments and agencies.

I heard one of my colleagues from Indiana come to the floor and say families face this all the time, and they have to make cutbacks. That is true. I have had that happen with my own family. They also want to make certain, if they can, to get through tough periods without cutting into the essentials of life, such as prescription drugs, paying the mortgage, and paying the utility bills. We need to make this a thoughtful effort to avoid sequestration.

The Democratic leader, Senator REID, has proposed that we, in fact, defer this sequestration through the remainder of this fiscal year, until October 1. To make up the costs, he uses the overseas contingency fund. This was a fund created to pay for our wars overseas, and thank goodness Iraq has been closed down as an act of war and Afghanistan is in the process. So there will be a surplus of money in this fund—some \$600 billion—that otherwise had been anticipated to be spent.

What the majority leader suggested is that we take a small part of that and use it so we can avoid the impact of sequestration and go back to business as usual for the remainder of this year.

I happen to think sequestration is not a good policy. We need a better approach and more thoughtful approach, and this will give us a chance. We can take the funds that otherwise would be spent overseas—on a war that, thank goodness, will not be there—and instead use them at home to avoid some hardships which have just been described.

So now we hear from the Republican side that they don't think this is a viable alternative. They question whether there is an overseas contingency account. The irony is that Congressman PAUL RYAN, chairman of the House Budget Committee, included the same money in his Republican budget. Senator MCCONNELL, who was critical of it today, said back in April 2011:

Today, the Chairman of the House Budget Committee, Congressman PAUL RYAN, is releasing a serious and detailed plan for getting our nation's fiscal house in order.

That serious plan, I might remind Senator MCCONNELL, included just the funding that Senator REID is asking for. So we are not asking for something the Republicans have not already stood up and embraced. Instead, we are saying let's deal with the national challenges and national emergencies and let's deal with them with the money that would otherwise be spent overseas.

#### MARKETPLACE FAIRNESS ACT

After we have finished the vote on the judge, I am hoping this important issue will leave us in a position to move to proceed to the underlying bill, the Marketplace Fairness Act. This is a bill that Senator ENZI of Wyoming and I have introduced in an effort to bring some equity and fairness when it comes to the collection of sales tax.

Currently, in the United States, Internet retailers are not required by law to collect sales tax from sales in States that have a sales tax, and that is about 45 or 46 States. The Supreme Court told us 20 years ago if remote sales—catalog sales and Internet sales—are to collect sales tax, Congress has to pass the law to do it. That is what this is. We have been waiting 20 years. In the meantime, it has created some serious problems.

First, Internet retailers have an advantage over the brick-and-mortar

businesses in communities. They have an advantage because the Internet retailers don't collect sales tax, so there is an automatic discount on whatever the State sales tax might be—6, 8, 9, or 10 percent. This has caused many of the stores on Main Street and in shopping malls to face competition that is unfair and sometimes forces them into closing their businesses.

We are trying to level the playing field and say: If you sell into a State such as Illinois, you will collect our sales tax on the sales to Illinoisans buying your products, period.

The debate has come up over the States which have no sales tax. Let me make it clear: There is nothing in the Marketplace Fairness bill which will impose any new Federal tax or any sales tax beyond what is currently in the law in every State in the union.

If a State, such as Oregon, Montana, New Hampshire, Delaware, even Alaska, has no State sales tax, this bill will not change it. The residents of those States will not be compelled to pay a sales tax either over the counter or over the Internet. If a retailer that happens to be located in one of those States sells into a State with a sales tax, we will provide, free of charge, the software for them to collect the sales tax and remit it to the State where the purchase was made.

There have been arguments that this is too complicated; that there are 9,000 different taxing districts. I just have to say that with software available today, what we are suggesting is something that is easily done without great cost. In fact, in this bill we are requiring the States to provide software to the Internet retailers free of charge so they can collect the sales tax as it is charged on each Internet purchase.

There have been suggestions by some that we ought to carve out some States; that we ought to say this new law will apply to some States but not to other States. The States and their businesses have to volunteer to collect a sales tax for another State.

I cannot accept that. It is worse than the current situation.

In the current situation, the store on Main Street is competing with an Internet retailer that doesn't collect a sales tax. This carve-out approach would say not only will we discriminate against those shops on Main Street, other Internet retailers which are not in the State that is carved out have to collect sales tax, but those in the carve-out State don't. So it makes for an even more inequitable situation. I could not accept it.

I might say the Presiding Officer, who has quite a history on this issue, having been one of the parties to the Quill Supreme Court decision, also made the point that we ought to take care; the standard we set for the collection of sales tax is likely to be used in the next trade negotiation with a country that is trying to establish their rules when it comes to competition on Internet commerce.

So if the collection of sales tax is required across the board in America, the same can be asked in our trade agreements with other countries. If we don't do that, we run the risk that the carve-out becomes the exception that makes the rule in the next trade agreement, which is something that would be totally unfair to American companies.

So that is where we stand. What I said yesterday, I will repeat now. At noon today we will move to proceed to this bill. I have urged my colleagues to come forward with amendments if they have them. If they don't, that is fine. But if they do, bring them forward. Let's not delay this issue.

We are in the last week before a recess. Members have plans back in their States for the weekend, and we want to make sure they can keep those plans. Those Members who have an amendment to this bill should step forward with their suggestions immediately after the vote on the motion to proceed.

Members should bring their amendments to the Senate floor. Don't wait. It is important that we do this on a regular basis so we can debate those amendments which need to be debated and vote on them, which is almost how a Senate is supposed to do it. That is what we face.

I urge those who are holding back their amendments and want to wait until Thursday or Friday—if anybody does that, we are likely to be here beyond Thursday and Friday, and that is not fair to our colleagues. If anybody has a good amendment—or any amendment for that matter—bring it to the floor.

Senator ENZI, Senator ALEXANDER, Senator HEITKAMP, and I will work to try to find a way to accommodate amendments that are consistent with the bill—or at least debate them and have a vote on them if they are not. I think that is the best thing we can do. As I said, I think that is why we were elected—to debate these issues, resolve them, and vote.

So this is a fair warning to everyone. There are no excuses left. This bill has been on the calendar and available for amendment since last week, which gave everyone plenty of time to craft their amendment. Bring it to the floor immediately after the vote on the motion to proceed, and let's get down to business. Let's do what we were elected to do and pass this bill—or at least vote on this bill, and I hope pass it—before we break for this recess.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Madam President, I ask unanimous consent to address the Senate for up to 5 minutes on the marketplace fairness legislation.

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

Mr. ISAKSON. Madam President, before he leaves the floor, I would like to thank the distinguished majority whip for his leadership. I also want to thank Senator ENZI, Senator ALEXANDER, and

the Presiding Officer for their leadership on what is an important issue to my State, and really to every State.

The marketplace fairness bill is a good idea whose time has finally come. We have been waiting 20 years since the court decision to give direction to our States so they can collect the retail sales tax upon which many of them finance most—if not all in some cases—of their governmental operations. This is not a new tax. It is not a different tax. It is not a tax we are applying to anybody. It is a mechanism for the collection of a tax that has been owed for over 20 years by people making retail purchases in our States from people who sell out of State.

I commend the leadership on the legislation, the way it is drawn. I hope everybody will bring their amendments to the floor, if they have any. I don't know that there is any need for them. I hope we can send a clear message to the House and to our States that we are prepared to let our local governments and our State governments collect the tax that is owed to them and has been owed to them.

The Governor of my State, Nathan Deal, last year led a major tax reform package that passed with only one dissenting vote in our legislature. It reformed taxes on utilities for manufacturing to attract businesses to our State. It reformed our income tax code and it reformed a lot of our taxes, but it also passed legislation consistent with the Marketplace Fairness Act so we can finally collect a tax that has been owed for a long time in our State.

As a real estate guy, as someone who used to lease retail space in shopping centers and on corners in the cities and counties in our State, I know what it has meant to retailers. What has happened is, in many cases, they become showrooms and servicing agents for an offsite seller. Customers in our community will go to the retail store, look at the products, go home and go on the Internet, buy the product on the Internet, and if something goes wrong with it, they will go back to the store and try to get it fixed. But the State never gets the sales tax on that sale because it was an Internet sale made by someone offsite.

Secondly, it has put pressure on the rest of the tax system. Think about this. If a local community gets most of its revenue from a local special purpose sales tax and all of a sudden that tax goes down, not because people aren't paying it but because it is not being collected, what happens? The pressure on the ad valorem tax goes up. So the retailer, who is already burdened with losing business because of Internet sales, becomes further burdened because they have more pressure from the ad valorem tax they pay for the space they lease and occupy. So it has had a compounding effect.

Also, we are famous in Washington for what is known as unfunded mandates to local government, whether it is IDEA in education or whatever it

might be. It is time we gave our local governments the chance for a mandate to collect a tax that is owed to them.

Lastly, for my State of Georgia, we have a 4-percent sales and use tax that goes to our State. We have special purpose local option sales taxes that are referendum taxes levied by local communities to finance school construction and other opportunities. We have a Metropolitan Rapid Transit Authority in Atlanta which in 1974 was seeded with a referendum that passed a 1-cent tax in Fulton and Dekalb Counties for the financing of the beginning of that subway system. It is not fair to deny those States and those entities the ability to collect a tax that is owed. It is only right, after 20 years of getting direction from the appellate courts as to what to do, that this Senate and this Congress and our country say to our States we are going to give a mandate for States to collect the taxes owed to them. We are going to take the pressure off the local retailers. We are going to level the playing field. We are not adding a tax to anyone; we are adding opportunity to everyone.

I commend Senator DURBIN, the Presiding Officer, Senator ALEXANDER, and Senator ENZI for their tireless leadership. I urge all Members of the Senate to do what we did on the motion to proceed and what we did on the amendment on the budget. Let's give an overwhelming ratification of the Marketplace Fairness Act.

Mr. CARPER. Madam President, would the Senator yield for a moment?

Mr. ISAKSON. Absolutely.

Mr. CARPER. Madam President, I wish to join with the Senator from Georgia. There are issues we disagree on, but this is a subject we agree on—another one we agree on.

I was privileged to be the Governor of Delaware for 8 years, and now I have served with the Senator from Georgia and other colleagues for the last 12 years. Delaware is one of those States that doesn't have a sales tax. I think most of these States that don't have a sales tax are not supportive of this bill. I am. Either I am out of step or maybe not.

We have all these signs when people come into a State that say "Welcome to," whether it is Georgia or Delaware or North Dakota. We had a sign that said, "Welcome to Delaware, the Small Wonder, the First State" and they all had the name of the Governor. When I became Governor, I said why don't we take down the name of the Governor and put something else up, and what we put up is "Home of Tax-Free Shopping." That is what we put up: "Home of Tax-Free Shopping."

In our little State, we have borders with New Jersey to the east and Pennsylvania to the north and Maryland to the west. They have sales tax. A lot of people in those States come to Delaware to shop, to buy things, and help to fuel our economy, our retail economy, and to help fuel our tourism economy as well. When people say to me: As a

former Governor and a Senator from a State that doesn't have a sales tax, why do you support this bill, one, I think it is an equity issue. The brick-and-mortar merchants are there collecting the sales tax in those 45 or so States that have a sales tax to help support the community, help to support the government and the services that are provided locally in States across America. Then we have folks who are selling things over the Internet to people who live in those States without collecting the sales tax, without being part of the solution.

The other thing—and the Senator from Georgia knows as well as I do—the brick-and-mortar merchants have people come into their stores pretty regularly, and they ask the merchants: How would you like to help support the Little League? How would you like to help support the Boy Scouts and Girl Scouts? How would you like to support this festival or this function? They get asked about those things all the time—and they do. Meanwhile, the folks they are competing with—the Internet sales—they are not supporting those kinds of activities. So there is an equity question here.

For me, why I see value in this—a guy who comes from a State who doesn't have a sales tax—is this: I want more people from other States, including the three around us, to come and buy things in my State. If they can buy things over the Internet and not pay a sales tax, then why would they come to Delaware? But if they have to pay a sales tax that is going to be collected by the Internet provider selling to people in those States with sales taxes, they might come to Delaware and shop.

Mr. ISAKSON. Madam President, I appreciate the leadership of the distinguished former Governor. Knowing him as well as I do, he is a States rights advocate and this is a States rights issue and we are here to protect the rights of our States.

Mr. CARPER. It sure is a States rights issue. I would be remiss if I didn't say this. I know my colleague has to leave. But in my first term as Governor, I had never heard of MIKE ENZI. Who is this MIKE ENZI guy? It turns out he is a great guy. He is one of our colleagues and a former mayor of Gillette, WY, and he has been pushing this as a Senator forever. Mike Leavitt, who succeeded me as chairman of the NGA, has been pushing this forever, a former Governor of Utah. So I give a shout out to both of them for their leadership. If we don't give up, sometimes we can get stuff done, and MIKE ENZI doesn't give up and I know the Senator from Georgia doesn't. So I thank my friend.

NOMINATION OF SYLVIA MATHEWS BURWELL

Madam President, I would like to speak a bit, if I may, on the nomination of Sylvia Mathews Burwell, whose nomination as the Director of the Office of Management and Budget has come through our Committee on Homeland Security and Governmental Affairs as well as through the Budget

Committee. Her nomination was reported out unanimously by voice vote a week or so ago by our committee and unanimously on the same day by the Budget Committee.

The nomination comes at a critical time not just for this administration but I think at a critical time for our country. We are wrestling with this large budget deficit. We know there are management challenges. When a person says OMB, it stands for the Office of Management and Budget, and whoever is confirmed to serve in this position is expected to oversee a great group of people, a good team that will focus on budget issues. The issues include how do we continue to rein in our budget deficit and bring it back to a more sustainable fiscal position for us, also what do we need to do on the management side to help hasten that day.

We have across the Federal Government in this administration, and we had it in the last Bush administration as well, something I call executive branch Swiss cheese. We have too many senior positions in this administration; we had a number of them in the last administration but not to the extent we have them in this administration. We have too many positions that are going wanting. In some cases, the administration has not vetted, nominated, and submitted names to us; in some cases, we are not moving them very quickly once they have, so there is a shared responsibility. The administration—in this case, we haven't had a confirmed Director of OMB for about 1 year, since Jack Lew left to become Chief of Staff, who is now Secretary of the Treasury. We have gone about 1 year without a Senate-confirmed OMB Director. That is not good. Jeff Zients, who has been the Deputy Director and who has basically been responsible for being Acting Director; also, if you will, the "m" in OMB, the Management Deputy for OMB. We haven't had anybody running it for a while, which these are the regulations since Cass Sunstein left, who was very good at it.

So the senior leadership team at OMB pretty much has been Jeff Zients, and we are grateful to him for taking on all this responsibility. But he may have other things he wants to do with his life and we need to put somebody in place to head up OMB and to surround that person with a first-rate team and I pledge to do that.

I wish to say to my colleagues, Democratic and Republican in the Senate, on our Committee on Homeland Security and Governmental Affairs, on the Budget Committee, just a big thank-you for getting this nomination, once we had it in hand, to move it quickly, hearings, through the vetting, staff interviews, and to bring that nomination to the floor. Thanks to the leadership, Democratic and Republican, for helping to make that possible.

Who is this person whom the President has nominated? She used to be a Mathews, with one "t"—a Mathews

with one "t." She is now Sylvia Mathews Burwell. She is a pretty remarkable person for someone who was raised and grew up in Hinton, WV, where I lived when I was 4 years old. I was born in Beckley, WV, not far from where Sylvia grew up. I said to her at our confirmation hearing: What is the likelihood that the President would nominate as the Director of OMB, one of the most powerful positions in any administration, a gal who was born in Hinton, WV, on the New River, close to the Bluestone Dam where I learned to fish as a little boy and she would be before our committee at a hearing chaired by a guy who used to live in Hinton, WV, when he was a 4-year-old kid? Pretty amazing. But she is extraordinary, as the Presiding Officer knows.

Sylvia Burwell grew up in West Virginia. She didn't go off to some fancy private school in another State. She went to Hinton High School. She played on the girls' basketball team there. I was kidding her at her confirmation hearing, and I asked her: What was the mascot? She said: We were the Bobcats. So she is a Bobcat. There were at the confirmation hearing a number of her colleagues from Hinton, who were fellow Bobcats and played on the basketball team with her—just a great celebration. She is a real person. She is just a real person. She has wonderful interpersonal skills.

When the President nominated her, I found out she used to work in the Clinton administration. But I asked her after high school what did she do. I like to say she couldn't get into Delaware or North Dakota University, she had to go to Harvard. From there, she became a Rhodes Scholar over in England. She came back and did some work on the Clinton-Gore campaign, I think, in 1992 and ended up working for the administration. What did she do? She was Chief of Staff to Bob Rubin, one of the leaders of the economic development team in the Clinton administration. She was a Deputy to Chief of Staff Erskine Bowles, Deputy Chief of Staff, and I think for the last year or two of the Clinton administration she was Deputy OMB Director and she had a pretty good experience there. She finished there and ended up working for McKinsey & Company, one of the top management consulting firms in the world. She helped stand up the Bill and Melinda Gates Foundation and more recently has helped to run the Wal-Mart Foundation. What great credentials.

I called Erskine Bowles when I found out she worked for and with him, and I said: Tell me about this Sylvia Burwell, who has been nominated to head up the OMB. Here is what he told me. He told me a truly great story. He said: Here is the setting. We are in the Oval Office with the President. Bob Rubin, Sylvia Mathews at the time—for a while—and Erskine, and the President is having a conversation with Bob Rubin, asking him some questions. And Erskine notices Sylvia, who

is Rubin's Chief of Staff, slips him a note and Rubin looks at the note, and he answers the President's questions to great effect and very brilliant responses. The President is oohing and aahing at how good that response was, and Erskine says: Mr. President, I have broken the code here on Rubin. He is not that smart. It is Sylvia. She gave him the note to answer the question. If I had Sylvia working for me, people might think I am as smart as they think Rubin is.

Well, she ended up working with Erskine as the Deputy Chief of Staff.

I also talked to Bruce Reed about her. Bruce was President Clinton's former domestic policy adviser. He and I worked with a bunch of other people on welfare reform. He is a great guy. He is Vice President BIDEN's Chief of Staff today. I asked him to tell me some more about Sylvia.

One of the other things I sensed from both of them is this: She is a real person. She is a good person. We have all heard the term "good guy." I do not know how you say that about a woman—if they are a "good gal" or whatever—but if she were a man, you would say "a really good guy." She has a great personality. People like her. Around here, that is actually pretty helpful. The other thing they said is that she is incredibly bright and able to juggle a whole lot of things at the same time.

Somehow along the way, she has gotten married to a lucky guy named Stephen. She said she is lucky too. They have these two young kids, and somehow they have managed to keep all the balls in the air and raise a family while having these careers.

But I asked Erskine and Bruce, what is she really like? Great, just a really good person, with good values. I have talked to her about her values, including the one that involves faith, and it is just the kind of thing you are encouraged to hear. She is very bright.

The other thing they said about her is this: She has a great ability to get things done. We all know people who are a good guy or gal, people who are arguably bright, but they are not able to get things done. Well, we need somebody in this position who is able to lead a team that gets things done. We have a huge deficit, about \$800 billion. It is coming down, but it is still too big. We have all kinds of GAO issues that they raise to us on their High Risk List—the things that are problematic because we waste money on ineffective spending. GAO, most recently, has given us a whole big report on duplication in the Federal Government. There is a huge to-do list. And part of it is our jurisdiction in our Committee on Homeland Security and Governmental Affairs. That is an obligation and responsibility we share with the administration and with other branches of our government. But we need somebody who is very good at multitasking and who can get things done. And I think if we help put the

right team around here, they will get a lot done and we will do this together.

I will close, if I could, with this: I have never met her parents. Obviously, I think she has at least one sibling. But, boy, when I asked her how she turned out this way, Sylvia really gives the credit to her parents. I think most of us probably do if we have had success in life, although we had a great witness before the Finance Committee at yesterday's hearing—Antwone Fisher, a sort of self-made, up-from-the-roots, amazing, successful guy. You never would have imagined he would have enjoyed the success he has, coming up through the foster care system in his home State.

But she gives a lot of credit to her parents. Obviously, they are doing something right at Hinton High School and maybe even at Harvard and over in Oxford, England. But she has had good mentors. She is a very humble person—a very humble person. She is the real deal, and we are lucky she is willing to take this on.

I commend the President for nominating her. I want to thank her husband and her family for their willingness to share her. I hope she gets a unanimous vote here today. She ought to.

#### COMMENDING THE PRESIDENT

The other thing I want to say, if I could, is this: The President took some folks out for dinner last night. I do not know if our Presiding Officer was one of them. My guess is she was. I will talk to her later about what they had and how it went. But I commend the President for reaching out to Republicans and Democrats, Senators and Representatives. It is the kind of thing you have to do. It is the kind of thing you have to do if you want to get things done. As President, you have a million people pulling on you—300 million people pulling on you—and folks from around the world pulling on you, and it is hard to focus on building and rebuilding relationships here. It is absolutely necessary.

I was talking with ANGUS KING the other day. ANGUS—now our colleague here in the Senate, a great addition—used to be Governor of Maine. We were comparing notes as to his role as Governor of Maine and mine as Governor of Delaware, how we worked with the legislature. I am sure you could find people who were in the legislature when I was Governor who said: Thank God he is gone. But we actually worked pretty well together.

One of the keys—not my idea but an idea that started with, I think, Pete du Pont, when he was Governor a number of years ago; also done by Mike Castle as Governor and Ruth Ann Minner as Governor and by me in between Governor Castle and Governor Minner—every Tuesday when the legislature was in session in Delaware—every Tuesday; they are usually in session on Tuesdays, Wednesdays, and Thursdays most weeks between January and June—I would host a lunch with the

legislative leadership of the house and the senate, Democrats and Republicans from the house and the senate. Occasionally, we had somebody in from my administration, my staff. We would have lunch together. Sometimes we would talk about issues; sometimes we would talk about sports or whatever else was the topic of the day. We always had lunch together, and we did it week after week, month after month, year after year. You get to know people and you develop a sense of trust, and in many cases you kind of like each other.

One of the keys to our success in Delaware is we sort of like each other, Democrats and Republicans. We work together, and we govern from the center.

ANGUS had a similar story, only they did not do lunch together with the legislative leadership. They did breakfast together in Maine. He did it every week, every month, every year for the 8 years or so he was Governor.

The President is doing something like that. He is doing like a DC version of that now. It is just great, and I urge him to keep it up.

#### DEFICIT REDUCTION

I will close with this: My colleague, the Presiding Officer, has heard me say this before. The President has heard me say this a few times as well, probably more than he wants to remember. But I think there are three things—if we are really serious about deficit reduction—three things we need to do.

I would mention, the first one of those is—go back to the Clinton administration. Erskine Bowles, the Chief of Staff, whom Sylvia helped, and others, put together, with Republican help in the House and Senate—it was then a Republican House and Senate in those years—they put together a deficit reduction plan. It was 50 percent revenues; it was 50 percent spending. They put together a balanced budget plan that led—for the first time since 1968, we ended up not with one balanced budget, not two, not three, but four balanced budgets in the last 4 years of the Clinton administration. It was 50 percent deficit reduction on the spending side and 50 percent on the revenue side.

For those 4 years, if you look at Federal revenue as a percentage of GDP, it ranged anywhere from 19.5 percent to 20.5 percent. That was the range—19.5 percent to 20.5 percent Federal revenues as a percentage of GDP—but the average was about 20 percent.

Look at last year. We had a big budget deficit. Federal revenues as a percentage of GDP were right around 16 percent. I think spending as a percentage of GDP last year was around 23 percent or so. But that gap between 16 percent in revenues as a percentage of GDP and spending at about 23 percent—and spending is coming down and the revenues are going to go up under the fiscal cliff deal, but we will still have a deficit—a substantial deficit, by historical standards—so we need to do something more.

The something more we need to do is, No. 2—after we address revenues, get them up closer to the historic mark of about 20 percent, where we were in the Clinton administration, 20 percent of revenues as a percentage of GDP, the second thing we need to do is entitlement reform.

I will use the President's words, and I think he has been courageous because not everybody in our party agrees with him on this. We need to reform the entitlement programs in ways that save money, do not savage old people or poor people, and preserve these programs for the long haul.

I remember I spoke to—it was back at Ohio State, where I did my undergrad as a Navy ROTC midshipman a million years ago—it was back a month or so ago, and I had a chance to talk to 400 fraternity brothers from different States, including the Presiding Officer's State, who were there for a weekend conference, a leadership conference. I talked to them about leadership. I also talked to them about making tough decisions and how we use our values to make these tough decisions.

I asked the 400 guys from across those eight States: How many of you think you will someday receive a Social Security check?

Not one hand went up.

I asked: How many of you think someday you might be eligible for Medicare when you are 65?

Not one hand went up.

My sons who are 23 and 24, they do not think they will. I want to make sure they do. I will predict that they will need it. I want to make sure that for our sons, our daughters, our grandsons, our granddaughters, our nieces, and our nephews, those programs are going to be there for them.

The President gets that. And we understand we cannot just keep doing business as usual. We are going to run out of money in the Medicare trust fund by—when?—2024, and we will start to run out of money—our inability to pay Social Security checks fully—by about 2030 or so. So we need to do something differently, and we need to be smart to do it so we do not hurt the least of these—the least of these—in our society. I think we can be that smart.

So first, we need some revenues. Second, we need entitlement reform that is true to Matthew 25: the least of these, looking out for the least of these. And the third thing—and this is where we have focused in our Committee on Homeland Security and Governmental Affairs, as the Presiding Officer knows—we have put together more than a dozen Democrats and Republicans in this committee who are—“rabid” is probably the wrong word, but I will use it—rabid about waste, rabid—r-a-b-i-d—about waste. What we believe—as I do—is that everything we do as human beings, we can do better. I think that is true of all of us. It is true of Federal programs. Everything we do, we can do better.

The challenge for us is to leverage from one committee, working with our colleagues here in the Senate and the House; working with GAO, the Government Accountability Office; working with OMB, the Office of Management and Budget; working with the inspectors general across the Federal Government; working with outside groups, such as Citizens Against Government Waste, and with other groups; with David Walker, a former Comptroller General; and just a bunch of folks, to say this is like an all-hands-on-deck deal and a shared responsibility as well. To the extent we have the ability to work with all those partners I just mentioned, we will get more done and we will leverage the effectiveness of our committee, but most importantly, we will actually continue to reduce the budget deficit.

The three things, in closing: We need some additional revenues. We need to do it in a smart way. We need to reform the entitlement programs in ways that do not savage old people and poor people and would save these programs for the future. And we need to look in every nook and cranny of the Federal Government to say: How do we get a better result for less money? Find out what works and do more of that. Find out what does not work and do less of that. Look wherever we are duplicating responsibilities and activities and see how we can maybe do less of that.

So there you have it, Madam President. I do not usually get to talk this long, but I am wound up today, very excited about this nomination, as the Presiding Officer can tell. Sylvia Mathews Burwell has the potential of being a terrific OMB Director. One of the keys to doing that is we have to get her confirmed today, and I think we will. Then we have to move promptly.

The President has to give us a good name. I think he has given us one good name to be part of her team, if she is confirmed. But the President needs to send us somebody not just for Deputy OMB Director, not just to be deputy at OMB for management, not just to be the person—the new Cass Sunstein, whose job it will be to work the regulation side, but all of the above. When we get good names, we have an obligation to vet them quickly and promptly and, if they are good people with the best credentials, get them confirmed and in place so they can go do their job because with an \$800-some-billion deficit, we have work to do and need a good leadership team to do that.

Madam President, I do not see anybody standing around to chew up the rest of this time, which is probably a good thing. I think it signals that maybe we will get a good vote on this nomination.

I am pleased to put in a good word for Sylvia and say to her husband and family, thanks for sharing her, and to her parents, thanks for raising her.

With that, I 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. MANCHIN. 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. MANCHIN. Madam President, I rise to urge the Senate to confirm the nomination of Sylvia Mathews Burwell to be Director of the Office of Management and Budget. I do so with great pride because Sylvia Burwell is from my home State of West Virginia. I have been dear friends with her family for a long time.

Her parents have been community leaders in Hinton, WV, for over half a century. Her father Dr. William Mathews is a longtime optometrist, and her mother the Honorable Cleo Mathews previously served as the mayor of Hinton, as well as in a number of other public service positions. I worked with Sylvia for many years as mayor when I was Governor of the State—she was quite competent—including 8 years on the State Board of Education when she served as president of the board of education.

If you want to know Sylvia, you should look at her small hometown of Hinton, WV, and the surrounding Summers County that she grew up in because that is her grounding. It is pure Americana, a one-time railroad boom town, woven into the mountains of Appalachia. The downtown historic district, 200 buildings, including churches, storefronts, and private residences, is an architectural gem of American Gothic, Classical, Victorian and Greek Revival styles. It is a movie just waiting to happen.

Hinton is the ideal example of smalltown West Virginia and probably smalltown America. It only has 2,600 residents. That is a pretty large town for West Virginia and probably North Dakota. It is nestled into a lush green valley on the banks of the New River, surrounded by the towering, majestic mountains and forests of Summers County, one of the most beautiful counties in West Virginia.

New River is one of the oldest rivers in the world. It flows south to north, which may be due to the fact that it was formed long before the Appalachian Mountains.

This is the special place Sylvia Mathews Burwell calls home, a showcase for the best of West Virginia and America, the beauty, the outdoors, and the people are warm and welcoming. Sylvia is humble, hardworking, has spent most of her life helping hard-working families everywhere achieve the American dream her Greek immigrant grandparents found in this country.

She went off to Harvard, was a Rhodes Scholar, and has traveled the world over. But she has never lost touch with her West Virginia roots and the ties that bind us together. No matter where she is, 1 day each week like clockwork, Sylvia is on the phone with the two best friends she made in the

first grade in Hinton. Think about it. That is who we are. That is the heart and soul of West Virginia, friends and family.

But make no mistake, I am supporting Sylvia's nomination not because she is from West Virginia, which makes it all that much sweeter, but because she embodies the best of our State and our country. In West Virginia, we judge people by their deeds as much as their words, and Sylvia has already accomplished so much in her life, the public service and philanthropy she has been involved with.

Sylvia Mathews Burwell is an exceptional choice to lead the Office of Management and Budget, especially in the aftermath of sequestration, which is what we are going through now, and which so many of our colleagues detailed on the Senate floor this past week. We are still discussing it.

I say that because Sylvia served as the Deputy Director of the Office of Management and Budget, which now she will become Director of, from 1998 to 2001, which was our last era—think about the last time of fiscal responsibility, when balanced deficit reduction gave us balanced Federal budgets.

The fiscal plan she and Erskine Bowles, whom she worked with, put together, had we followed it to this day and not changed, would have erased our national debt completely by now. Can you believe that. We would have been totally out of debt as a nation if we had followed the plan that was put forward back in 1996, 1997, 1998, and followed through after 2001.

Sylvia was a key part of the Clinton White House team which reached across the aisle, negotiated those balanced budgets with a Republican Congress. If we look closely at the numbers, we can see what an accomplishment it was to fix our finances in the 1990s. Prior to 1993, when Sylvia joined the Clinton administration, the United States had failed to balance its budget for 23 years—23 years.

By 1992, spending had risen to historic highs—I think we all know that story—and revenues had reached near historic lows. We know that one too. That is exactly the dilemma we are in right now, compared to the size of the economy. In 1992, the Federal budget deficit topped out at \$290 billion. I think we are close to \$17 trillion in debt right now.

By the time Sylvia left the Clinton White House and went to the Office of Management and Budget in 1998 as a Deputy, the wheels were in motion of sustainable balanced budgets for years to come. She put these wheels on. Spending had shrunk drastically and revenues were soaring to historic highs, thanks to a thriving U.S. economy and reasonable tax policy that ensured both corporations and wealthy individuals paid their fair share.

The PRESIDING OFFICER. The time for the majority has expired.

Mr. MANCHIN. I ask unanimous consent to speak for up to 5 minutes. At

that time, I wish to be able to turn it over to the Senator from Iowa.

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

Mr. MANCHIN. In 1998, Sylvia's last year in the White House and the first year at OMB, the Federal budget had a \$69.3 billion surplus, the first surplus in a generation. Sylvia has been out of government for the last 12 years. But I am confident she will bring a fresh perspective to the fiscal debate we will be having over the next few years.

After serving in high-profile leadership positions, she has been well balanced, and she has been with the Bill and Melinda Gates Foundation. She has been their top person. I would hope all my colleagues on the Republican side and my colleagues on the Democratic side will look at Sylvia as part of America, part of this great country, a product of who we are. She will do a great job because she has a track record of already doing it. With that, I would encourage all my colleagues to please vote in support of Sylvia Mathews Burwell.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I was honored to recommend to the President that he nominate Jane Kelly to serve as a judge on the U.S. Court of Appeals for the Eighth Circuit. Today I encourage my colleagues to vote for her confirmation, which will be the first vote at noon.

Let me begin by thanking Senator LEAHY and his staff for their hard work in advancing Ms. Kelly's nomination in such a timely manner. I also thank my senior colleague from Iowa, Senator GRASSLEY, for his invaluable support and assistance. For all the years we have served together, Senator GRASSLEY and I have cooperated in a spirit of good will on judicial nominations in our State. I am grateful that tradition has continued.

Jane Kelly possesses all the qualifications necessary to assume the responsibilities of a Federal appellate judge. Before recommending Ms. Kelly to the President, I reviewed a very strong field of candidates for this position. She stood out as a person of truly outstanding intellect and character, with a reputation as an extremely talented lawyer with a deep sense of compassion and fairness. Not surprisingly, she enjoys wide bipartisan support from the Iowa legal community.

Judge Michael Melloy, who was nominated by President George W. Bush, and whose seat on the Eighth Circuit Ms. Kelly is nominated to fill, said Ms. Kelly "is very intelligent and thoughtful."

Judge David Hansen, who was President George H.W. Bush's nominee to serve on the Eighth Circuit and for whom Ms. Kelly clerked, said: "She is a forthright woman of high integrity and of honest character" who "will be a welcome addition to the court."

I might also point out for the record that both of those nominees under Re-

publican Presidents I was proud to support, under the leadership of Senator GRASSLEY.

Federal District Court Judge Stephanie Rose remembered Ms. Kelly "has a great blend of personality, skills and common sense to make a great lawyer and judge."

The American Bar Association gave her a unanimous "qualified" rating. Ms. Kelly is a credit to all of us who have chosen to be in public service. She earned her bachelor's degree summa cum laude from Duke, served as a Fulbright Scholar, and received her J.D. cum laude from Harvard Law School. After law school she was a law clerk to Judge Donald Porter of the District Court of South Dakota and to Judge David Hansen on the Iowa Eighth Circuit. She could easily have commanded a big salary with a top law firm, but instead for over 20 years she has opted for public service and long hours as a Federal public defender. We are fortunate she seeks to continue her public service to Iowa and our Nation by serving as a Federal judge.

Let me conclude with two additional notes about Ms. Kelly's nomination. First, if confirmed, Ms. Kelly will only be the second female judge in the history of the Eighth Circuit Court of Appeals, a court established in 1891. While 56 men have sat on that court, to date there has only been one woman, Diana Murphy of Minnesota. President Obama has nominated approximately 100 former prosecutors to the Federal bench, including one I recommended, former U.S. attorney Stephanie Rose, to the Southern District of Iowa. Among recent Presidents that is the highest percentage of former prosecutors to be nominated to the Federal bench. These are all outstanding attorneys and dedicated public servants.

As Judge Melloy recently noted with respect to Ms. Kelly: "It will be good to have someone from the public defender realm on the bench."

Ms. Kelly has served for more than 20 years in the Federal defender's office, where she has argued hundreds of cases on behalf of indigent clients. She has fought tirelessly to ensure that the rights of all are protected, and she has worked to give meaning to the phrase above the Supreme Court, "Equal Justice Under Law." This is a critically important perspective that she will bring to the court.

As an aside, it strikes me as especially fitting that Ms. Kelly, a career public defender, has been nominated for the Federal bench this year as we observe the 50th anniversary of *Gideon v. Wainwright*. As we all know, that landmark decision recognized that every person accused of a crime, no matter how poor, is guaranteed the right to counsel. At its core, *Gideon* is the promise of justice for all, including our most vulnerable citizens. This is an ideal to which Ms. Kelly has dedicated her entire legal career.

Jane Kelly is superbly qualified to serve as the U.S. Court of Appeals

judge for the Eighth Circuit. I urge all of my colleagues to support her nomination and confirmation.

Madam President, I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. SESSIONS. Madam President, I want to share a few remarks on the nomination of Sylvia Mathews Burwell to be the Director of the Office of Management and Budget. I suspect she will be confirmed momentarily. She was raised in a small town in West Virginia and seems to have some good West Virginia values. She is smart, able, and has a winning personality for sure.

This is, perhaps, properly utilized, the toughest, most important job in the U.S. Government. The primary responsibility of OMB is to assist the President in overseeing the preparation of the budget, but also to help formulate spending plans to deal with agency programs, policies, and positions in setting funding priorities to make tough choices that are necessary to keep our financial house in order. It is a tough position.

We could have elected a President such as Governor Romney, who was a manager, a tough, proven executive. That was his strength. President Obama's strength is in message, traveling the country and advocating his positions, leaving it even more critically important than normal, it would seem to me, to have a very strong Office of Management and Budget leader. Ms. Burwell certainly seems to have the integrity to do the job.

I am worried about her lack of experience. She served as the president of the Global Development Program at the Bill & Melinda Gates Foundation. She served as the head of the Walmart Charitable Foundation, she served in the Office of Management and Budget for a time—Chief of Staff, I believe, to the Secretary of Treasury—and at the National Economic Council. Her most recent experience has not been in directly trying to rein in a government that is out of control.

The Web site of OMB says as part of its mission:

It reports directly to the President and helps a wide range of executive departments and agencies across the Federal Government to implement the commitments and priorities of the President.

It is a big job.

I would say that in failing to nominate someone like a proven executive, a proven Governor, or a former Cabinet member who can look these Cabinet members in the eye and say: No, Secretary, this is not going to be within our budget; this isn't within our plans—you are going to have to see if you can do this. We have a nominee

who will really have to rise to the occasion to be able to defend common sense and spending because our Cabinet people get ideas and visions. They want to do all kinds of things, particularly in this administration. Sometimes you have to say: We don't have the money. We would like to do that, but we do not have the money.

The President's budget that OMB is required to produce and that he has submitted so far has not been impressive. That is an understatement. They have not exemplified the leadership and management that we would expect in a President.

For instance, the 2013 budget, the one that was introduced last year, increased spending by \$1.5 trillion above the Budget Control Act spending levels to which we all agreed. That is not good.

The President signed the Budget Control Act. It limited spending from increasing from \$37 trillion at current law baseline. He was going to \$47 trillion. The Budget Control Act reduced the increase to just \$45 trillion instead of going up to \$47 trillion. It imposed the 2012 budget limits. Yet the President's budget proposed a deficit of \$2.7 trillion above the agreed-upon baseline, so we had a good number of problems with that budget. Of course, the budget, those two budgets, failed in the Senate 99 to 0 and 97 to 0. It got not a single vote, and it didn't get a single vote in the House because it's an irresponsible budget. Ms. Burwell will be replacing the OMB Director who put together those budgets.

I see my colleague and able chair of the Budget Committee here. I thought I would have 10 minutes. What is the agreement at this point?

The PRESIDING OFFICER. All time expires in 30 seconds, all time remaining under Republican control.

Mr. SESSIONS. The Republican time has expired.

I will say I intend to support Ms. Burwell's nomination. We will give her a chance. I hope she will rise to the occasion. I think she has the ability. She certainly is a delightful person with whom to meet.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, I would ask unanimous consent to speak for 5 minutes on the nomination of Sylvia Mathews Burwell.

The PRESIDING OFFICER (Ms. BALDWIN). Without objection, it is so ordered.

Mrs. MURRAY. Madam President, I thank Senator SESSIONS, and I rise today to speak in support of Sylvia Mathews Burwell, whose nomination to be the next Director of the Office of Management and Budget was approved last week with strong bipartisan support by our Senate Budget Committee.

As we all know, our country does face serious fiscal and economic challenges we have to work together to address. The American people are looking

to us to end this constant artificial crisis and political brinkmanship that is threatening our fragile economic recovery. They want us to come together around fair solutions that work for our middle class, help the economy grow, and tackle our deficit and debt fairly and responsibly. It is time we stop governing from crisis to crisis and return stability and regular order to our budget process.

That is why I am so pleased we have such an exceptional and qualified nominee in Sylvia Burwell to lead OMB. I know she is the right person to come into this leadership role at this important time for our country. She is no stranger to OMB or to tackling important fiscal issues.

In the 1990s, she was a critical part of President Clinton's economic team. She served as Deputy Director of the Office of Management and Budget, Deputy Chief of Staff to the President, and Chief of Staff to the Secretary of the Treasury. In those roles, she worked very closely with Jack Lew, Erskine Bowles, Robert Rubin, and the rest of President Clinton's economic team to help produce three out of four budget surpluses in a row. During her tenure, our government took a fair, credible, and sustainable approach to our Federal budget. That gave businesses the confidence to hire new workers and invest in their growth.

Her leadership and hard work in the 1990s helped to create broad-based economic growth that worked for the middle class and turned our debt and deficit problems around. Sylvia's firsthand experience creating a balanced and responsible approach to deficit reduction makes her uniquely qualified to lead OMB at this important time for our country.

Since the 1990s, Sylvia has dedicated her life to helping people all over the world. As the president of the Global Development Program and the chief operating officer at the Gates Foundation, she worked to improve the lives of millions across the globe. Under her leadership, the foundation invested in important programs to help combat poverty and produce clean water and improve literacy, and provides emergency relief to those who need it the most.

Most recently, as president of the Wal-Mart Foundation, she led the Foundation's charitable giving and focused on critical issues such as hunger relief and women's economic empowerment.

Not only do Sylvia's achievements in the foundation of philanthropy worlds demonstrate her vast experience managing large global budgets, but they also speak volumes of her values and demonstrate her deep lifelong commitment to serving others.

Sylvia grew up understanding the value of hard work and public service. Her parents have been community leaders in West Virginia for over half a century. Her father is a long-time optometrist and her mother, the Honor-

able Cleo Mathews, served as the mayor of her hometown of Hinton, and later served on the West Virginia State Board of Education for a decade. As my colleague Senator MANCHIN said when he introduced her to our Budget Committee, it is easy to see public service is a part of Sylvia's DNA.

As the Director of OMB, Sylvia will help set our Nation's priorities and make tough decisions about our Federal spending. So I am glad Sylvia knows budgets are about more than abstract numbers and partisan back and forth. As a second generation Greek American, Sylvia understands the importance of the promise of American opportunity. She knows budgets are a reflection of our values and our priorities, and they are about families across the country whose lives and futures are impacted by the decisions we make.

Not only is Sylvia an expert on domestic economic policy and a dedicated public servant, she has a demonstrated track record of working across the aisle to get things done. During her time in Washington in the 1990s, she reached across the aisle and negotiated the balanced and fair budgets with Republicans in Congress. She knows working to find common ground is the key to solving our fiscal challenge—a point made clear by her during her confirmation hearing in front of our Senate Budget Committee this month.

So I am pleased her nomination passed our committee on a voice vote with strong bipartisan approval. Republicans, including Senator SESSIONS, who here on the floor praised Sylvia as someone who is, by all accounts, well-liked and an able leader committed to public service.

Madam President, I support this nomination, I urge my colleagues to vote yes, and I yield back the remainder of my time.

Mr. MCCAIN. Mr. President, today I come to the floor to speak in support of the nomination of Mrs. Sylvia Mathews Burwell, to be Director of the Office of Management and Budget, OMB. Her previous experience as Deputy Director of OMB during the Clinton administration, as well as her work with the Bill and Melinda Gates Foundation and her current position as president of the Walmart Foundation in my opinion, make her well qualified to be the Director of OMB.

With our country now facing a \$16.8 trillion dollar debt, which is more than \$53,000 per person, the Director of OMB is perhaps the toughest job in Washington, and I am confident that Mrs. Burwell is up for the challenge. In addition to the unsustainable debt, \$85 billion in draconian, across-the-board sequestration cuts to defense and non-defense programs in fiscal year 2013 have now started to hollow out our military. I hope to work with Mrs. Burwell to remedy these cuts that are devastating to our national security.

Although Mrs. Burwell and I will not always agree on how we tackle our

country's urgent fiscal challenges, I am confident that she will commit to finding bipartisan solutions to these real problems. Solutions that will provide greater program efficiency and transparency and will put our country back on a path of fiscal stability so that future generations will not be forced to pay for the irresponsible spending decisions we continue to make here in Congress. Again, I am pleased that the President put forth such a qualified nominee, and I look forward to working with her.

The PRESIDING OFFICER. All time has expired.

The question is, Will the Senate advise and consent to the nomination of Jane Kelly, of Iowa, to be United States Circuit Judge for the Eighth Circuit?

Mr. DURBIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Massachusetts (Mr. COWAN), the Senator from New Jersey (Mr. LAUTENBERG), and the Senator from Massachusetts (Ms. WARREN) are necessarily absent.

Mr. CORNYN. The following Senator is necessarily absent: the Senator from North Dakota (Mr. HOEVEN).

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

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 108 Ex.] YEAS—96

Table listing Senators and their votes for the nomination of Jane Kelly. Includes names like Alexander, Ayotte, Baldwin, Barrasso, Baucus, Begich, Bennet, Blumenthal, Blunt, Boozman, Boxer, Brown, Burr, Cantwell, Cardin, Carper, Casey, Chambliss, Coats, Coburn, Cochran, Collins, Coons, Corker, Cornyn, Crapo, Cruz, Donnelly, Durbin, Enzi, Feinstein, Fischer, Moran, Murkowski, Murphy, Murray, Nelson, Paul, Portman, Pryor, Reed, Risch, Roberts, Rockefeller, Rubio, Sanders, Schatz, Schumer, Scott, Sessions, Shaheen, Shelby, Stabenow, Thune, Toomey, Udall (CO), Udall (NM), Vitter, Warner, Whitehouse, Wicker, Wyden.

NOT VOTING—4

Table listing Senators who did not vote: Cowan, Lautenberg, Hoeven, Warren.

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, there is now 2 minutes, equally divided, prior to a vote on the Burwell nomination.

Who yields time?

Mr. REID. I yield back all time.

The PRESIDING OFFICER. All time is yielded back.

The question is, Will the Senate advise and consent to the nomination of Sylvia Matthews Burwell, of West Virginia, to be Director of the Office of Management and Budget?

Mr. REID. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. I announce that the Senator from Massachusetts (Mr. COWAN), the Senator from New Jersey (Mr. LAUTENBERG), and the Senator from Massachusetts (Ms. WARREN) are necessarily absent.

Mr. CORNYN. The following Senator is necessarily absent: the Senator from Idaho (Mr. CRAPO).

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

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 109 Ex.] YEAS—96

Table listing Senators and their votes for the nomination of Sylvia Matthews Burwell. Includes names like Alexander, Ayotte, Baldwin, Barrasso, Baucus, Begich, Bennet, Blumenthal, Blunt, Boozman, Boxer, Brown, Burr, Cantwell, Cardin, Carper, Casey, Chambliss, Coats, Coburn, Cochran, Collins, Coons, Corker, Cornyn, Crapo, Cruz, Donnelly, Durbin, Enzi, Feinstein, Fischer, Frank, Gillibrand, Graham, Grassley, Hagan, Harkin, Hatch, Heinrich, Heitkamp, Heller, Hirono, Hoeven, Inhofe, Isakson, Johanns, Johnson (SD), Johnson (WI), Kaine, King, Kirk, Klobuchar, Landrieu, Leahy, Lee, Levin, Manchin, McCain, McCaskill, McConnell, Menendez, Merkley, Mikulski, Moran, Murkowski, Murphy, Murray, Nelson, Paul, Portman, Pryor, Reed, Reid, Risch, Roberts, Rockefeller, Rubio, Sanders, Schatz, Schumer, Scott, Sessions, Shaheen, Shelby, Stabenow, Tester, Thune, Toomey, Udall (CO), Udall (NM), Vitter, Warner, Whitehouse, Wicker, Wyden.

NOT VOTING—4

Table listing Senators who did not vote: Cowan, Lautenberg, Crapo, Warren.

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motions to reconsider are considered made and laid upon the table, and the President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislative session.

The majority leader is recognized.

Mr. REID. Madam President, I ask unanimous consent that the next vote be 10 minutes in duration.

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

MARKETPLACE FAIRNESS ACT OF 2013—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 743, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 743) to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the question is on the adoption of the motion to proceed to S. 743.

Mrs. SHAHEEN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Massachusetts (Mr. COWAN), the Senator from New Jersey (Mr. LAUTENBERG), and the Senator from Massachusetts (Ms. WARREN) are necessarily absent.

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

The result was announced—yeas 74, nays 23, as follows:

[Rollcall Vote No. 110 Leg.] YEAS—74

Table listing Senators and their votes for the Marketplace Fairness Act of 2013. Includes names like Alexander, Baldwin, Barrasso, Begich, Bennet, Blumenthal, Blunt, Boozman, Boxer, Brown, Burr, Cantwell, Cardin, Carper, Casey, Chambliss, Coats, Cochran, Collins, Coons, Corker, Cornyn, Crapo, Donnelly, Durbin, Enzi, Feinstein, Fischer, Menendez, Mikulski, Moran, Murphy, Murray, Nelson, Portman, Pryor, Reed, Risch, Rockefeller, Sanders, Schatz, Schumer, Sessions, Shaheen, Shelby, Stabenow, Thune, Toomey, Udall (CO), Udall (NM), Vitter, Warner, Whitehouse, Wicker, Wyden.

NAYS—23

Table listing Senators who voted nay: Ayotte, Baucus, Coburn, Cornyn, Cruz, Grassley, Hatch, Heller, Inhofe, Kirk, Lee, McConnell, Merkley, Murkowski, Paul, Roberts, Rubio, Scott, Shaheen, Tester, Toomey, Vitter, Wyden.

NOT VOTING—3

Table listing Senators who did not vote: Cowan, Lautenberg, Warren.

The motion was agreed to.

CHANGE OF VOTE

Mr. PAUL. On rollcall vote No. 110, I voted "aye." It was my intention to vote "nay." Therefore, I ask unanimous consent that I be permitted to change my vote since it will not affect the outcome.

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

(The foregoing tally has been changed to reflect the above order.)

VOTE EXPLANATION

• Mr. COWAN. Madam President, I was necessarily absent from votes during today's session. Had I been present for the votes, I would have supported the nominations of Jane Kelly, of Iowa, to be United States Circuit Judge for the Eighth Circuit and Sylvia Mathews Burwell, of West Virginia, to be Director of the Office of Management and Budget. I would have also supported the motion to proceed to S. 743, the Marketplace Fairness Act. •

MARKETPLACE FAIRNESS ACT OF 2013

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 743) to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes.

The PRESIDING OFFICER. The majority leader.

AMENDMENT NO. 741

Mr. REID. Madam President, on behalf of Senators Enzi, Durbin, and others, I have an amendment at the desk and I ask the clerk to report.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. ENZI, Mr. DURBIN, Mr. ALEXANDER, and Ms. HEITKAMP, proposes an amendment numbered 741.

The amendment is as follows:

Beginning on page 2, line 10, strike "if the Streamlined" and all that follows through page 11, line 5, and insert the following: if any changes to the Streamlined Sales and Use Tax Agreement made after the date of the enactment of this Act are not in conflict with the minimum simplification requirements in subsection (b)(2). A State may exercise authority under this Act beginning 180 days after the State publishes notice of the State's intent to exercise the authority under this Act, but no earlier than the first day of the calendar quarter that is at least 180 days after the date of the enactment of this Act.

(b) ALTERNATIVE.—A State that is not a Member State under the Streamlined Sales and Use Tax Agreement is authorized notwithstanding any other provision of law to require all sellers not qualifying for the small seller exception described in subsection (c) to collect and remit sales and use taxes with respect to remote sales sourced to that State, but only if the State adopts and implements the minimum simplification requirements in paragraph (2). Such authority shall commence beginning no earlier than the first day of the calendar quarter that is at least 6 months after the date that the State—

(1) enacts legislation to exercise the authority granted by this Act—

(A) specifying the tax or taxes to which such authority and the minimum simplification requirements in paragraph (2) shall apply; and

(B) specifying the products and services otherwise subject to the tax or taxes identi-

fied by the State under subparagraph (A) to which the authority of this Act shall not apply; and

(2) implements each of the following minimum simplification requirements:

(A) Provide—

(i) a single entity within the State responsible for all State and local sales and use tax administration, return processing, and audits for remote sales sourced to the State;

(ii) a single audit of a remote seller for all State and local taxing jurisdictions within that State; and

(iii) a single sales and use tax return to be used by remote sellers to be filed with the single entity responsible for tax administration.

A State may not require a remote seller to file sales and use tax returns any more frequently than returns are required for non-remote sellers or impose requirements on remote sellers that the State does not impose on nonremote sellers with respect to the collection of sales and use taxes under this Act. No local jurisdiction may require a remote seller to submit a sales and use tax return or to collect sales and use taxes other than as provided by this paragraph.

(B) Provide a uniform sales and use tax base among the State and the local taxing jurisdictions within the State pursuant to paragraph (1).

(C) Source all remote sales in compliance with the sourcing definition set forth in section 4(7).

(D) Provide—

(i) information indicating the taxability of products and services along with any product and service exemptions from sales and use tax in the State and a rates and boundary database;

(ii) software free of charge for remote sellers that calculates sales and use taxes due on each transaction at the time the transaction is completed, that files sales and use tax returns, and that is updated to reflect rate changes as described in subparagraph (H); and

(iii) certification procedures for persons to be approved as certified software providers. For purposes of clause (iii), the software provided by certified software providers shall be capable of calculating and filing sales and use taxes in all States qualified under this Act.

(E) Relieve remote sellers from liability to the State or locality for the incorrect collection, remittance, or noncollection of sales and use taxes, including any penalties or interest, if the liability is the result of an error or omission made by a certified software provider.

(F) Relieve certified software providers from liability to the State or locality for the incorrect collection, remittance, or noncollection of sales and use taxes, including any penalties or interest, if the liability is the result of misleading or inaccurate information provided by a remote seller.

(G) Relieve remote sellers and certified software providers from liability to the State or locality for incorrect collection, remittance, or noncollection of sales and use taxes, including any penalties or interest, if the liability is the result of incorrect information or software provided by the State.

(H) Provide remote sellers and certified software providers with 90 days notice of a rate change by the State or any locality in the State and update the information described in subparagraph (D)(i) accordingly and relieve any remote seller or certified software provider from liability for collecting sales and use taxes at the immediately preceding effective rate during the 90-day notice period if the required notice is not provided.

(c) SMALL SELLER EXCEPTION.—A State is authorized to require a remote seller to collect sales and use taxes under this Act only if the remote seller has gross annual receipts in total remote sales in the United States in the preceding calendar year exceeding \$1,000,000. For purposes of determining whether the threshold in this section is met, the gross annual receipts from remote sales of 2 or more persons shall be aggregated if—

(1) such persons are related to the remote seller within the meaning of subsections (b) and (c) of section 267 or section 707(b)(1) of the Internal Revenue Code of 1986; or

(2) such persons have 1 or more ownership relationships and such relationships were designed with a principal purpose of avoiding the application of these rules.

SEC. 3. LIMITATIONS.

(a) IN GENERAL.—Nothing in this Act shall be construed as—

(1) subjecting a seller or any other person to franchise, income, occupation, or any other type of taxes, other than sales and use taxes;

(2) affecting the application of such taxes; or

(3) enlarging or reducing State authority to impose such taxes.

(b) NO EFFECT ON NEXUS.—This Act shall not be construed to create any nexus or alter the standards for determining nexus between a person and a State or locality.

(c) NO EFFECT ON SELLER CHOICE.—Nothing in this Act shall be construed to deny the ability of a remote seller to deploy and utilize a certified software provider of the seller's choice.

(d) LICENSING AND REGULATORY REQUIREMENTS.—Nothing in this Act shall be construed as permitting or prohibiting a State from—

(1) licensing or regulating any person;

(2) requiring any person to qualify to transact intrastate business;

(3) subjecting any person to State or local taxes not related to the sale of products or services; or

(4) exercising authority over matters of interstate commerce.

(e) NO NEW TAXES.—Nothing in this Act shall be construed as encouraging a State to impose sales and use taxes on any products or services not subject to taxation prior to the date of the enactment of this Act.

(f) NO EFFECT ON INTRASTATE SALES.—The provisions of this Act shall apply only to remote sales and shall not apply to intrastate sales or intrastate sourcing rules. States granted authority under section 2(a) shall comply with all intrastate provisions of the Streamlined Sales and Use Tax Agreement.

(g) NO EFFECT ON MOBILE TELECOMMUNICATIONS SOURCING ACT.—Nothing in this Act shall be construed as altering in any manner or preempting the Mobile Telecommunications Sourcing Act (4 U.S.C. 116-126).

SEC. 4. DEFINITIONS AND SPECIAL RULES.

In this Act:

(1) CERTIFIED SOFTWARE PROVIDER.—The term "certified software provider" means a person that—

(A) provides software to remote sellers to facilitate State and local sales and use tax compliance pursuant to section 2(b)(2)(D)(ii); and

(B) is certified by a State to so provide such software.

(2) LOCALITY; LOCAL.—The terms "locality" and "local" refer to any political subdivision of a State.

(3) MEMBER STATE.—The term "Member State"—

(A) means a Member State as that term is used under the Streamlined Sales and Use Tax Agreement as in effect on the date of the enactment of this Act; and

(B) does not include any associate member under the Streamlined Sales and Use Tax Agreement.

(4) PERSON.—The term “person” means an individual, trust, estate, fiduciary, partnership, corporation, limited liability company, or other legal entity, and a State or local government.

(5) REMOTE SALE.—The term “remote sale” means a sale into a State, as determined under the sourcing rules under paragraph (7), in which the seller would not legally be required to pay, collect, or remit State or local sales and use taxes unless provided by this Act.

(6) REMOTE SELLER.—The term “remote seller” means a person that makes remote sales in the State.

(7) SOURCED.—For purposes of a State granted authority under section 2(b), the location to which a remote sale is sourced refers to the location where the product or service sold is received by the purchaser, based on the location indicated by instructions for delivery that the purchaser furnishes to the seller. When no delivery location is specified, the remote sale is sourced to the customer’s address that is either known to the seller or, if not known, obtained by the seller during the consummation of the transaction, including the address of the customer’s payment instrument if no other address is available. If an address is unknown and a billing address cannot be obtained, the remote sale is sourced to the address of the seller from which the remote sale was made. A State granted authority under section 2(a) shall comply with the sourcing provisions of the Streamlined Sales and Use Tax Agreement.

(8) STATE.—The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States, and any tribal organization (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)).

#### CLOTURE MOTION

Mr. REID. I have a cloture motion at the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

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. 743, a bill to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes.

Harry Reid, Richard J. Durbin, Heidi Heitkamp, Martin Heinrich, Amy Klobuchar, Al Franken, Sherrod Brown, Brian Schatz, Benjamin L. Cardin, Angus S. King, Jr., Richard Blumenthal, Sheldon Whitehouse, John D. Rockefeller IV, Joe Manchin III, Thomas R. Carper, Tom Harkin, Patrick J. Leahy.

Mr. REID. I ask unanimous consent that the reading of the names be waived.

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

Mr. REID. I now ask unanimous consent that the mandatory quorum under rule XXII be waived.

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

Mr. REID. Madam President, I now ask unanimous consent that Senator DONNELLY be recognized for up to 20 minutes to give his maiden speech, and he will proceed as in morning business. Following his speech, I ask unanimous consent that Senator DURBIN, the manager of the bill, be recognized.

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

The Senator from Indiana.

#### AN OPPORTUNITY AGENDA

Mr. DONNELLY. Madam President, one of the best parts about this job is getting the chance to talk to Hoosiers here in Washington, back home in Indiana, and, on those special occasions, a chance to see our Hoosiers when they are serving our country overseas.

When I was visiting our servicemembers in Afghanistan in Khost Province in July 2009, I asked our Indiana National Guard members if there was one thing I could do for them, what would that be? I expected them to tell me about safety vests or about new trucks. They said, JOE, we have this handled here. What we need more than anything is a chance to have a job when we get home. We owe our servicemembers that opportunity.

From Hoosiers serving our Nation in Afghanistan and around the world to the communities of Vincennes and Madison and Plymouth and Gary, the message is the same everywhere. It is about jobs, and the chance to go to work and take care of your family. So how do we take the Hoosier common-sense approach, focus on jobs and create the conditions needed for our people and our businesses to succeed?

I propose an opportunity agenda. Government doesn’t create jobs; businesses create jobs. So let’s create the opportunities, help put the conditions in place for our businesses in Indiana and around the country to be able to create more jobs, put the programs in place for all of the American people to be ready to hit the ground running on day one. Because if we don’t have a job, nothing else works. We can talk about health care, we can talk about climate change, we can talk about any other issue, but if we don’t have the chance to go to work and earn a living and take care of our family, nothing else works.

That is why earlier this month I conducted a series of roundtable meetings in eight different Hoosier communities trying to get ideas from Hoosier businesses, community leaders, and educators, asking one simple question: How can we help our entrepreneurs, our small business owners, the men and women who go to work every day, how can we help them create more jobs? So in creating an opportunity agenda built on Hoosier common sense, I heard loudly and clearly: The place to start is with education and with training.

In every community I went to, I heard about the skills gap: jobs that are currently going unfilled—opportunities that are there for the taking but we have to have workers who have the

skills our employers need. Getting a job is a two-way street. Both Hoosier companies and Hoosier workers have responsibilities. We can’t expect a good job and good pay if we don’t bring some skills to the table.

I heard from a welding trainer in Gary, IN, from an IT company in Noblesville, and from rural health care providers in Terre Haute, IN, and the message was the same, and it resonates across the board and across the State: Employers need more skilled workers. Good skills equal good jobs.

That is why I helped introduce the bipartisan AMERICA Works Act, which modifies Federal training programs to place a priority on those programs and those certifications demanded by today’s businesses and today’s industries.

The improvements in this bill are a benefit for both workers and employers. Workers would know the time they spend training is more likely to lead to a good job. For employers, they will be more likely to hire people they know have the training they need to be productive the moment they walk in the door.

We also have to make sure our businesses do not get overwhelmed by regulations. In Fort Wayne I heard about businesses dealing with too many regulations that don’t make any sense for their particular industry. It is time to get rid of the bureaucratic mess and to keep what works. Regulations should be like the umpire on the field: Make sure everyone is playing by the rules, make sure the rules are common sense, and then stay in the background. Regulations should protect the health and safety of our families and our workers while not creating unnecessary burdens for our business owners.

Further, the regulatory system should give businesses the certainty they need to plan for the future and the ability to compete with anyone anywhere in the world.

We need to go all-in on American energy. This helps our businesses, helps our families, and helps national security. I was in Lawrenceburg, IN, a beautiful town right along the Ohio River. When I was there, I heard of one of the companies located there, a trucking company, that is trying to turn their fleet into a natural gas fleet. They are interested in making that transition, but the front-end costs are high and the infrastructure isn’t in place yet. So developing American energy sources makes sense for American business, makes sense for our families, and makes sense for national security.

Let’s keep more of our hard-earned dollars in Indiana—or in Wisconsin, the home State of the Presiding Officer—by investing in homegrown energy including solar, coal, wind, oil, natural gas, biodiesel, ethanol, nuclear.

We are blessed with an abundance of energy right here in America. It makes us stronger, creates jobs, reduces our debt, and gives us a chance to make our Nation safer.

I support projects such as the Keystone Pipeline because it creates jobs, puts people to work, and has significant bipartisan support. That is an example of a commonsense investment in domestic energy that both sides of the aisle can support.

These are just a few of the ideas I have gotten from people who are creating jobs, running businesses, meeting payroll, employing our neighbors, and growing our businesses all across Indiana.

There is a whole lot more wisdom in Washington, IN, than there is in Washington, DC. A big reason for this is because Hoosiers, as many Americans, are focused on just getting things done, working together. It is not about partisanship, and it is not about politics. In Indiana it is about common sense and trying to solve the problem. It is about an opportunity agenda that creates jobs for hard-working people and a good life for their families. That is what it is all about.

Here is what I am about: taking the best ideas from both parties, both sides of this Chamber, and getting things done—starting with jobs. As Hoosiers, we do not care if you are a Democrat; we do not care if you are a Republican; we care if you are ready to go to work on what matters most.

We make decisions based on what is best for our families. We take pride in making the checkbook balance and making tough choices necessary to make that possible. We expect the same from our government. Keep taxes low, cut waste, and do not throw more money at the problem. Just try to solve the problem.

Hoosiers are hard working. We do not want a free lunch; all we want is a fair shake. We believe respect is earned through the sweat and the hard work we put in every single day. We do not expect to receive anything we have not earned.

Hoosier common sense tells us that our families are all better off when we have stronger communities and more opportunities for businesses and workers. We take care of our brothers and sisters in need, not with a handout but by providing them with the opportunity to work hard and to build a better life.

We have a proud tradition of Senators from Indiana who have embodied these principles of Hoosier common sense: from Senator Lugar's decades of leadership in matters of commonsense foreign policy, his leadership in saving over 100,000 Hoosier auto jobs, and his constant efforts on behalf of Indiana's farmers, from Lake Michigan to the Ohio River; to Senator Birch Bayh's tireless efforts to expanding voting rights and equality for women through his efforts on title IX; to Senator and Vice President Dan Quayle's bipartisan efforts to pass job training legislation; to Senator Evan Bayh flexing his independence and his passion to get our fiscal house in order; and to my current colleague, Senator DAN COATS, in his efforts to keep our Nation safe.

The people of Indiana expect their leaders to put Hoosier common sense ahead of partisanship. We expect our Senators not to be the loudest people in the building but the hardest working people in the building, and in my case to make my job about making sure I am looking out for their jobs.

I am honored to be here in this Chamber working every day—not because I work for anybody here; I work for everyone back home. That is my mission, that is my job, and I am incredibly privileged to do that.

God bless Indiana. God bless the United States.

Madam President, I yield back.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, let me congratulate my colleague from my neighboring State of Indiana, Senator DONNELLY, on his first speech on the floor of the Senate. I can tell you, as a downstater in Illinois, I can identify with so many things he said about his State and his pride in his State and his feelings about his responsibility as the new Senator from the Hoosier State.

I thank him so much for that comment and look forward to working with him for many years to come as we represent adjoining States.

AMENDMENT NO. 745 TO AMENDMENT NO. 741

Madam President, I have an amendment at the desk and ask that it be called up.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 745 to amendment No. 741.

Mr. DURBIN. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end, add the following:

This Act shall become effective 1 day after enactment.

Mr. DURBIN. Madam President, I would like to explain where we stand on the pending legislation. This is a bill which has been introduced by Senators ENZI, ALEXANDER, HEITKAMP, and myself. It is S. 743. Pending now on this bill is the managers' amendment, which we have crafted, and a second-degree amendment, which is a slight technical change.

The reason we are at this stage is because we are looking for colleagues to come forward if they have amendments to this bill. We would like to entertain those amendments. We hope they are germane and relevant amendments and not far afield from the important subject matter before us. But I made this announcement yesterday, again this morning, and I make it now: Any Member of the Senate who is interested in amending the bill, please come to the floor with your amendment. Senator ENZI and I will be happy to work with you if we can accept it. If we cannot,

we will at least give an opportunity for debate and a vote.

We want to finish this bill this week. We are going to stay until we finish it, so the sooner Members get serious about their amendments the more likely it is we will be able to leave this week.

So that is the state of play on S. 743.

I have spoken to the substance of this bill several times, but I see some Members on the floor seeking recognition. At this point I yield.

The PRESIDING OFFICER. The Senator from Iowa.

(The remarks of Mr. HARKIN and Mr. SANDERS pertaining to the introduction of S. Con. Res. 15 are printed in today's RECORD under "Submitted Resolutions.")

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, before I yield the floor to the Senator from Arkansas, I would like to again make the point I made earlier.

Pending before the Senate is S. 743. This is the Marketplace Fairness Act cosponsored by myself, Senator ENZI, Senator HEITKAMP, Senator ALEXANDER, and others. This matter is now pending before the Senate, and we are asking all Members with amendments to please bring them to the floor. I know the Senator from Arkansas has heard that call, and that is why he is here. We want to move this forward and have an active debate on this issue. We are asking our colleagues not to put it off. If we want to wrap this up in a timely fashion, we need their cooperation. So I urge all offices, if you have an amendment, please come to the floor and discuss it with Senator ENZI and me.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. I wish to talk about amendment No. 740, which is an amendment I am offering with the Senator from Missouri, Mr. BLUNT. We understand there will be an objection to this. I will not ask unanimous consent to call it up at this moment. Hopefully, one of our colleagues will arrive in a minute to do that.

Let me say first that I am for the Marketplace Fairness Act. I am a cosponsor. I believe it is the right thing to do. It is an issue I have been working on since my time more than 10 years ago in the attorney general's office in the State of Arkansas when we were trying to set up a multistate compact about how to collect sales tax on the Internet. This is taxes on Internet sales on the Internet.

What I am talking about today, the Pryor-Blunt amendment, is different. We are talking about amendment No. 740, which is sometimes confused with it, but basically amendment No. 740 deals with the Internet Tax Freedom Act—sometimes called ITFA, of all things—but nonetheless, basically it does just a few things.

First, it makes it clear that online retailers will not begin to have to pay

additional tax just for doing business online. So the way this works is that right now States and cities, counties, et cetera, are prohibited from taxing Internet service. We are not talking about sales tax, we are talking about Internet service, the Internet service itself. This is a moratorium that has been around for a long time. Amendment No. 740 is the amendment that would extend this for 10 years.

This is a clean extension. Basically, there are some States that have been grandfathered under the current moratorium. They will continue to be grandfathered. We do not cover things such as voice, audio, video. That is a separate issue. We are talking about just the Internet itself.

This also does not have any negative impact on the Universal Service Fund, 9-1-1, e911, and other fees like those. Those are separate. We have crafted this very carefully to do just a straight and clean 10-year extension.

We understand there will be an objection to this. Before we hear that objection, I yield the floor for my colleague from Missouri.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BLUNT. Let me quickly yield to my friend from Oklahoma for a unanimous consent request.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. I ask that at the conclusion of the remarks by the Senators from Arkansas and Missouri, that I be recognized as if in morning business.

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

The Senator from Missouri.

Mr. BLUNT. As my good friend from Arkansas said and for the benefit of the Senator from Oregon, we haven't made a request yet for this amendment to be moved to the front of the line to be debated, but we are here to say that we would like to have this amendment on this bill. We are both supporters of the Marketplace Fairness Act for reasons that I hope we have well established, and I think people, including Members of the Senate, are beginning to understand that it is a fairness principle.

But what this amendment does, recognizing the importance of online commerce, that it has grown dramatically since 1998 when this amendment first became part of the law, the Internet Tax Freedom Act—and in 1988, it said that you wouldn't tax the Internet itself for use of the Internet. Unless we act, this law will expire in 2014. This would be a 10-year extension that would simply say that we would continue to ensure that people's access to Internet services is tax free.

To be clear, the underlying bill we are considering, the Marketplace Fairness Act, doesn't create a new tax. It doesn't tax consumers' use of the Internet, and Senator PRYOR and I both would oppose taxing use of the Internet at this point. But this simply adds to the fair tax collection processes that will be available to States under the

Marketplace Fairness Act by extending current law to ensure without any question that this is not about taxing the Internet.

In fact, this amendment would extend for a decade the almost 15-year prohibition on taxing the Internet, the one that goes back to 1998.

So I support the Marketplace Fairness Act. I believe this bill would be even better if it clarified for the next decade that we continue to maintain the view the Congress and the Federal Government has had on the Internet since the Internet first emerged as an avenue of commerce and would not allow for the taxing of the Internet and prevents those taxes from being collected.

I yield for my friend from Arkansas. The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, I wish to ask the Senator from Arkansas if he would yield for a question through the Chair.

Mr. PRYOR. Be glad to, Madam President.

Mr. DURBIN. Madam President, pending before us is S. 743, the Marketplace Fairness Act, and this legislation would require Internet retailers selling into States with sales taxes to collect the sales tax. The Senator from Arkansas and the Senator from Missouri have offered a different piece of legislation relating to the Internet. I would like to ask the Senator from Arkansas if he would please clarify a few things.

First, is there any tax imposed by this Marketplace Fairness Act on the use of the Internet?

Mr. PRYOR. No, there is no tax in this amendment. Amendment 740, in fact, extends the moratorium on taxing the Internet.

Mr. DURBIN. I am asking before your amendment is adopted. The underlying bill has no tax on access to the Internet.

Mr. PRYOR. That is correct.

Mr. DURBIN. So the Senator is suggesting the extension of protecting America's right to access the Internet from being taxed; is that correct?

Mr. PRYOR. That is correct.

Mr. DURBIN. So for those who would come to the floor and argue somehow this bill is going to inhibit or restrain Americans in the use of the Internet, it does not, and the Pryor-Blunt amendment, which is being offered, extends for 10 years this prohibition against taxing access to the Internet.

I ask the Senator from Arkansas: The last time this was considered, does the Senator know when and what the disposition of that matter was?

Mr. PRYOR. I am not familiar with the history of that. Would the Senator from Illinois know that?

Mr. DURBIN. My impression—and I could be mistaken—is it was adopted by voice vote. The amendment the Senator is offering giving a 7-year protection against taxes for using the Internet was adopted by voice vote. It was clearly unanimous—at least there were no objections—on a bipartisan basis.

So what is being offered by the Senators from Arkansas and Missouri, on behalf of Internet users all over the United States to protect them from being taxed on this measure, is over and above anything in this bill but is consistent with policy we have lived with for 15 years, if I am not mistaken. I think the Senator from Missouri mentioned it was 15 years. From my point of view, this is a friendly amendment, it is an amendment which is good for America, it protects our access to the Internet, and it does not jeopardize—does not jeopardize—the underlying legislation.

In fact, if I am not mistaken, the two sponsors are cosponsors or at least have supported the underlying Marketplace Fairness Act.

I thank the Senator from Arkansas for yielding for those questions.

Mr. PRYOR. I see my colleague from Oregon is here, and he has a long history with this legislation and other legislation similar to it. Let me make one final point before I try to set aside the current amendment and bring up 740 to make it pending.

My final point is this: The Internet has been an amazing success story. It is unbelievable how successful it has been, how diverse, and how robust. But we think of it as ubiquitous. The truth is, it is not. In the United States, 80 percent of American households have access to the Internet, but only 65 percent take it. So only 65 percent of people in this country actually utilize the Internet and take Internet service.

I am afraid if we do add a tax, if the State and local governments add a tax, it will make it less affordable. A lot of people do not take Internet service because they cannot afford it. So I am afraid if we allow State and local governments to tax access to the Internet—tax the service itself—then we will see that effort hurt even more.

I ask unanimous consent to set aside the pending amendment and call up amendment No. 740 to make it pending.

The PRESIDING OFFICER. (Mr. HEINRICH). Is there objection?

Mr. WYDEN. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I do this to have a colloquy with my friend from Arkansas. I want him to understand that I have stayed off the floor of this body for well over 1 day for the sole purpose of trying to see if we can bring both sides together on this issue. I think that is important, and I have already acknowledged I am willing to look at how we could bring both sides together, recognizing the Quill decision.

As I have already said, I have looked at compacts between States and things of this nature, and I have made repeated offers to the advocates of this bill, offering specifics on paper, and essentially nothing is offered in return other than: We have the votes and we are going to coerce you, as Oregonians, to go along with this.

What I wish to do just for a moment is explain why I have to object. I think the Senator knows I authored the Internet tax freedom bill in the Senate back in 1998, and I did it because I thought it was important to have the defense shield against potentially thousands of taxing jurisdictions singling out the Internet for these kinds of taxes. Regrettably, the underlying bill is going to be a targeted strike on the Internet. It is not going to be a defense shield. It would, as it stands today, serve as an amendment that would undercut what we sought to do back in 1998.

As the original author here, I am looking forward to working with the Senator under any circumstance to reauthorize a law that I think has worked. All the law says is you have to do offline what you do online. If we boil it down, it is a nondiscrimination law. This comes up the next year, and the Commerce and Finance Committees both have interests in this. We have always worked cooperatively in these areas. I remember our experience together on nanotechnology.

So I just have to say I am going to have to object at this time, but I am very interested in working with my colleague, with Senator DURBIN, and Senator BLUNT, who was just here, to come up with an arrangement that goes to the heart of this question; that is, should States such as Oregon be coerced, required to collect these online taxes for States that are thousands of miles away. The refrain throughout this whole discussion has been this is a States rights bill.

I respect that, but what it translates into is folks say they are for States rights if they think the State is right and the State is willing to go along with this particular approach that has come out of Washington, DC, which is they would be coerced into collecting these sales taxes for jurisdictions from thousands of miles away. In some cases—New Hampshire and other places have been making this point as well—it would be discriminatory because the online sector would be subjected to requirements that were not required of brick-and-mortar retailers. Again, this undermines our vision for the tech sector, which has been about bricks and clicks. We want both the brick-and-mortar retailers and the online people to do well. I know the Senator from Arkansas agrees with that as well.

So I haven't said anything on the floor of this body on a matter my constituents feel very strongly about for going on 2 days, until just now, solely for purposes of working with my friend from Arkansas and the distinguished leader from Illinois, Senator DURBIN, and I will continue to do that. But at the end of the day, States rights, to some extent, has to have an element of voluntariness. If States rights has no element of voluntary judgments by States, it is pretty hard to say a State has any rights. The State truly is going to be coerced when we have reached the

point, as I would characterize it, where we are going to say in Washington, DC, we believe in States rights if we think the State is right and they are going to go along with the approach we have dictated.

In my part of the world, to show the irony of this situation, Washington State has a sales tax. Oregon does not have a sales tax. There are differential tax considerations in both jurisdictions, and we often make agreements in terms of how we do business. So we have shown it is possible to deal with this issue, and I want my colleague from Arkansas and my friend from Illinois to know I am willing to set aside absolutely everything and work around the clock to see if we can find some common ground, with my theory being it is hard to say it is a States rights approach if a State is unable to have any element in the process with respect to its own judgment, its voluntary judgment, about what it wants to do.

So I object at this time.

The PRESIDING OFFICER. Objection is heard.

The Senator from Illinois.

Mr. DURBIN. Mr. President, I am disappointed. I am disappointed because I know this was a good-faith effort on behalf of the Senators from Arkansas and Missouri to make certain Americans across the board wouldn't have to pay a tax to use the Internet. That has been policy for 15 years. We just had an opportunity to extend it for 10 more years and there was an objection by the Senator from Oregon.

I know in his heart of hearts he didn't want to object because I know his commitment to the Internet and what a difference it has made in this country. Here is the problem he faces and the reason he objected, if I can try to interpret what he just said. There are five States in America with no sales tax—five States. No State sales tax in Alaska, Oregon—the home State of the Senator—Montana, New Hampshire, and Delaware. No sales tax. That means, because that State has decided there will be no sales tax, the people living in that State who make a purchase at a store pay no sales tax—visitors as well, no sales tax. Those who buy things over the Internet in that State don't pay a sales tax either. That is the State's decision. We don't change that a bit. If this underlying bill passes, that will continue.

There is no coercion—which the Senator from Oregon uses as his term—on the State of Oregon to impose any sales tax on their citizens, on the people buying in their State. It is their State right to decide. What this bill does impact is the Internet retailer in Oregon selling products in the State of Illinois. When Nike or Columbia sell products in the State of Illinois, the Supreme Court told us Congress has to decide, if they sell a product in the State of Illinois to an Illinois consumer, do they have to collect the Illinois sales tax. That is what the bill says. That is all it says.

So at the end of the day, here is the question: If you are Nike and you are located in Oregon and you decide to do Internet sales—which I believe they do—but you also decide to have Nike shops available—and we have seen them in malls—what is the law going to be? You know what the law is going to be if you are Nike and you want to come and open a shop in a mall near Chicago—you play by the rules of Chicago and Illinois.

If we require certain filings with our government, if we require you pay certain property taxes, if we require you collect certain sales taxes—rules of the road: If you want to do business in Illinois, you play by Illinois rules. The same thing holds true if I want to open a business in Oregon; I play by Oregon rules.

Now the question: If you don't physically locate in Illinois but sell into Illinois, do you still have to play by Illinois rules? That is what this bill says. That is not coercion.

Nike can decide they don't want to sell in Illinois because they don't want to collect the sales tax in Illinois. That is their business decision. Let it be. But if they want to come and use the customers of Illinois to make a profit, all we are saying to them is: Collect the sales tax. Why? Because their competitors in Illinois—the families who have opened the shops and the stores—are collecting sales tax every day from their customers. They are finding people who are showrooming, walking into the running shoe store, trying on all the shoes, and saying, Just great, let me write something down here, see you later, and then going to the Internet and buying those shoes over the Internet without paying the sales tax. What happens to the store they used to try on the shoes? Eventually, they lose business and sometimes they go out of business.

We are trying to level the playing field. No coercion. Oregon, make up your own laws for your own citizens and people who do business there. We don't change a word of it. But if you want to do business in another State, we are asking that you collect the sales tax of that State. In fact, we provide the software free for you to do it.

I am sorry the Senator from Oregon objected to the Internet freedom bill offered by the Senators from Arkansas and Missouri. It is a good one. It is one we would have liked to have seen part of this discussion. I hope before this conversation and debate end that we get a chance to reconsider.

Mr. INHOFE. Mr. President, point of order.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, by unanimous consent, I was to be recognized after the conclusion of the remarks of the Senators from Missouri and Arkansas. I wish to ask when that would be, because this is going on and on.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I ask unanimous consent to pose a question to my colleague from Oklahoma.

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

Mr. WYDEN. Mr. President, if I would be able to engage the Senator from Oklahoma, with his leave, I could take about 5 minutes or so—no more—to respond to the points Senator DURBIN has made. That would be the end of my time, and I believe the Senator from Oklahoma would be next.

The PRESIDING OFFICER. Is there objection?

Mr. INHOFE. Mr. President, I do not object to that, but I would ask the Senator from Arkansas if he has any objection to that. I want to be sure to get in the queue sometime here.

Mr. WYDEN. Mr. President, very briefly to respond to comments made by my friend from Illinois, this legislation has nothing to do with Nike. Nike of course is a very large company and has stores and trucks and a physical presence all over the United States. They pay taxes because of that physical presence under the Quill decision. So the comments by my colleague from Illinois are very unfortunate, because they misstate what this debate is all about.

This debate is about the little guy.

Later on this afternoon, Senator MERKLEY and I are going to come to the floor of the Senate and actually read accounts from small businesses here in our State. They are people who don't have a physical presence all over the country, and they are scratching their heads this afternoon and they are saying to themselves, How in the world are we possibly going to be able to comply with this, because in a difficult economy, we are barely able to make ends meet. We are going to have to go out and spend time and money and staff figuring out how to do this.

That is what this is about. Are we going to take something like our current policy—which is the defensive shield against discriminatory treatment from these tech-based online businesses—and turn it into a targeted strike on them, which this legislation does, or are we going to work together, which is what I have tried to do pretty much nonstop since Monday, to see if we can find some kind of common ground? Part of the challenge is we have to get some equity even in terms of the amendments, because it looks as though one side is getting to offer theirs and another side may be foreclosed.

I am going to continue to try to reach out to colleagues on both sides of this debate. But I appreciate very much the courtesy of my friend from Oklahoma, because I had to clarify that this amendment is about the small, innovation-oriented businesses that we think are the future and the center of this debate since it got going. I thank my colleague from Oklahoma for his courtesy.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, my good friend from Pennsylvania, Senator TOOMEY, and I had an amendment that we put forth several weeks ago back in the time when we did not know for sure whether sequestration was going to become a reality. We have some comments to make about that.

I will be yielding to the Senator from Pennsylvania in a moment, but I first want to make an observation here, that anytime a bureaucracy is forced to cut, they will find the one thing the people of America want most and that is what they will cut. There is no better example of this than the FAA. I went around with them for quite some time on the pilots bill of rights last summer. We were able to get something done. But I know they are a very powerful agency. There is no question about that.

To give you an example of that, the FAA began furloughing traffic controllers—and others too—on April 21. This is what is interesting, and you have to pay attention to this. The cuts that were going to come to the FAA through sequestration amounted to 5 percent of the FAA's budget to bring it down to 2010 levels.

The FAA operations budget has grown by 109 percent since 1996. That has more than doubled since 1996.

On April 22, the first day after furlough took effect, over 400 flights were cancelled and nearly 7,000 flights were delayed. That, my good friends, is a way of making people miserable to bring them around to their way of thinking that somehow there is not enough fat in a bureaucracy that has more than doubled in the last 15 years that they have to take these drastic steps. The FAA has the flexibility to reduce the costs, but they have not attempted to do that.

As I said, very clearly, in 1996, the FAA's operating budget was \$4.6 billion. In 2012, the operation budget was \$9.7 billion. I don't know off the top of my head of another bureaucracy that has grown that much in that period of time. The FAA operations budget has increased by \$5.1 billion over 14 years. That is 109 percent.

The furloughs of the air traffic controllers are expected to save only \$200 million. I wish I had a chart here to show you what a small percentage that \$200 million is of the increase of \$5.1 billion over 14 years. I think it is very important that we talk about that in light of some of the things we are trying to do with sequestration. That was the FAA.

Unfortunately, it is our defense system that has been taking all the hits. Here we have the defense at 18 percent of the budget and they are taking 50 percent of the hits. This is after the President through his programs has knocked down spending levels by \$487 billion over this 10-year period, and sequestration would be another \$½ trillion—which in the mind and the statements of the Secretary of the Defense at that time, Secretary Panetta, would

be devastating, to use his words. So that is where we are right now.

When the majority leader last night introduced an amendment that would transfer the overseas contingency operations funds from the fiscal years of 2014, 2015, and 2016 to offset the sequester impacts in the current year, I think this is not implementable because he uses future appropriations to offset current year spending. It is also dangerous to continue to hollow out our military.

A couple days ago I talked about how we are comparable today in the hollow force we are approaching to what we were in the 1970s and the 1990s. Now it could actually be worse. In one of the hearings we had, one of the chiefs of the military made the statement that this would not be just as bad—it would be worse.

That is what we are faced with right now. I think we need to look very carefully and make sure we do not allow our warfighters—every time you cut their money out of the OCO account, that increases risk. Increasing risk increases lives lost. That is how serious this is.

Now back to our amendment we put together some time ago. This was back before March 1, which was when the realization appeared that sequestration was going to be a reality, and it was this: If the whole purpose of sequestration is to save money out of the budget, and if you come along with something that says: We will live with the top line that is dictated by sequestration but we would ask that the chiefs of the services be allowed to make those decisions as to where the cuts would be. I had occasion to call all five service chiefs, and it has been reaffirmed in the last 2 weeks by them in public hearings that if they could take this top line that would be so devastating to their service—and this was the Army, Navy, Marines, and Air Force. If they could determine where some of that was, would it be less devastating, No. 1? No. 2, would you be able to do it? The answer was yes and yes.

I think the Senator from Pennsylvania and I had a very good idea, and we are here today to talk about that.

With that, I yield for my friend from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. TOOMEY. Mr. President, I want to thank the Senator from Oklahoma for his leadership and work, and say a few words, and then I am going to make a unanimous consent request in this regard—but first a little bit of context here.

This Federal Government has doubled in size in the last 12 years. Total spending is up 100 percent in a little over a decade. What the sequester amounts to is 2.5 percent of this gigantic bloated government. But it is actually less than that in a very meaningful way, because the 2.5 percent we referred to—the sequestration, this cut—

is a reduction in the permission to spend. We call it budget authority. What it is is permission for the government to spend money. It actually takes a while for the government to get around to spending the money that is authorized in any given year. So the actual reduction in spending, the real reduction in cash that will go out the door in this fiscal year if the sequester goes into effect is a little over 1 percent, about 1.25 percent. That is what we are talking about.

Our friends on the other side of the aisle say, This is impossible; you can't do it; it will be devastating. They predicted all kinds of calamity if a government that has grown by 100 percent has to find 1 percent to trim over the next 6 months.

Here is another point we ought to keep in mind. If the cuts and sequester hold, if we achieve the savings that were signed into law, that were voted on by both Chambers, and that the President of the United States agreed to by virtue of his signature—if we do, then total spending this year will still be greater than last year. And we are told that is somehow a Draconian austerity program.

What we are talking about is a modest reduction in the rate at which this Federal Government grows. That is all we are talking about here. And we are told that is not possible; there is no way you can do it.

That is simply not true. One of the things that is maddening to me is the administration—and the President is responsible for this. They are willfully choosing to make the cuts in the most disruptive way they can, because they have got so much invested in this idea that we can't cut any spending. Because they predicted such dire consequences and such disaster, they can't very well allow reasonable and manageable cuts to take place which would be easily attained. So we have this extremely irresponsible set of cuts that are completely unnecessary.

Let me zero in a little bit on the FAA budget itself. The sequester is in effect now. If it holds—if it is fully implemented—the FAA budget will, as a result, be larger than the President asked for in his budget submission.

Does anybody think when the President submitted his budget request he was intending to shut down air traffic control operations? I can assure you he didn't tell us that at the time.

The fact is there are plenty of places where we can achieve this savings. The administration knew this day was coming for over 1 year. There has been plenty of time to plan for this and to prioritize.

The Senator from Oklahoma points to the huge growth in the FAA's budget. That is wildly disproportionate to any growth in flights. There are plenty of opportunities to achieve the savings, as evidenced by the fact that the President never asked for all this money.

Let me give a few examples of places where the President, within the FAA

budget, could be tightening belts so we don't have to furlough air traffic controllers.

For instance, the FAA spends \$540 million a year on consultants. That is nice. I am not sure all of that is as important as keeping planes flying in the air. The FAA operates a fleet of 46 aircraft. That costs \$143 million a year—very nice indeed. Probably not as important as making sure planes are coming and going from La Guardia and Kennedy and Newark and Philadelphia and Pittsburgh and across the country. The FAA budget includes \$1 billion more in grants for airport improvements. I am a pilot. I fly in and out of lots of airports and it is great when a nice little airport has a new taxiway, terrific, but is it truly as important as keeping our air traffic controllers there on the job? These are the kinds of tradeoffs we ought to be making.

My Republican colleagues and I have been offering a wide range of solutions. Senator BLUNT had the idea that maybe we ought to treat Federal workers, in this context, the context of the sequestration, the same way we do in other emergencies and designate essential workers. That makes some sense to me. I think that would make a lot of sense. JERRY MORAN has another idea for how we could address this.

Senator INHOFE and I introduced a bill before the sequester went into effect. What we said was let's give the President the maximum flexibility—right? The reason they say they have to lay off or furlough air traffic controllers is because they do not have any choice, the law requires it—except they did not want the change in the law which would have given them the choice. Senator INHOFE and I had a bill that would give the administration complete flexibility.

I say this because I pointed to a number of areas in the FAA's budget where I think they could find the savings, avoid furloughing air traffic controllers, but under the approach Senator INHOFE and I suggested, they would not be limited to finding the savings within the FAA budget; they could look anywhere in the government for the lowest priority spending, the most wasteful spending, the least necessary spending or perhaps redundancy and duplication.

I will give just another few examples. The GAO has discovered that throughout the Federal Government we have 47 different job training programs. Does anyone truly think we need 47 of these and that by consolidating them maybe we could save some overhead, some administrative costs? Maybe some of them don't work so well.

How about the fact that we have 94 different green building programs—94 programs—679 renewable energy programs. This is all over government because we have never bothered to scrub this and come up with the savings we could have achieved.

Senator COBURN from Oklahoma has offered all kinds of ideas, Senator LEE from Utah. There are all kinds of

places we can save. The fact is, especially in a government that has grown this big, we absolutely can find the little, tiny savings that are required in the sequester so we do not have to do it in a disruptive way.

UNANIMOUS CONSENT REQUEST—S. 799

That is why I ask unanimous consent that the Senate proceed to the immediate consideration of S. 799. I ask unanimous consent the bill be read a third time and passed, the motion to reconsider be considered made and laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I listened to the Senator from Pennsylvania. I have heard his arguments. I know he is convinced of his arguments.

There are several things he did not mention. The sequestration we are currently going through was a bipartisan decision. Both parties agreed to do it. In fact, the leadership on the Republican side and the leadership on our side voted for it. It was to be the outcome if we did not reach an agreement on the budget, and we did not. So now we are in sequestration.

When he suggests it is only 1 percent of government spending, I would add a couple of facts. We have exempted a long category of Federal spending so it will not be subject to these cuts. For example, we have said we will not cut the pay for our military 1 penny, so we exempted that part. When we take all the exemptions out, it is not 1 percent of our budget. For the agencies affected, it is closer to 5 percent on an annual basis. Since there are only 6 months left in the year, it turns out to be closer to 10 percent that they have to cut to make the cuts for the remainder of the year, so 1 percent does not quite tell the whole story.

Also, in terms of the number of people working for the Federal Government, the largest increase in Federal employment in the last 10 years has been in the Department of Defense. Why would that be? Two wars, that is why. When they talk about the increased number of people working for the Federal Government, don't overlook the fact of the Department of Defense effort and our effort to make sure the men and women in uniform were safe and came home safe. So when they talk about that increase, that is part of it.

Here is what we have suggested. Instead of just shifting the furniture around in the room, let us avoid what we are facing. We are facing the reality of 6,800 flights a day in America being delayed because air traffic controllers are being furloughed 1 out of every 10 days. We should avoid that—if not just for convenience, certainly for safety. I agree.

When it comes to cutting 70,000 children, little kids, out of the Head Start

Program, let's agree we should not be doing that. We get one chance at those kids to have a good education and a good life. Don't blow it because of a sequestration problem.

Shall we cut \$1.8 billion out of the National Institutes of Health medical research money? \$1.8 billion? No. This Senator believes that is stupid—short-sighted and stupid. If we don't put money into medical research, we are not thinking. America leads the world in medical research. The sequestration should not put us further behind.

What I am going to make a unanimous consent request to do is use the overseas operations contingency account, an account set aside for future war which we will not need because this President is bringing our troops home from Afghanistan as he did in Iraq.

I will object to the consent request of the Senator from Pennsylvania and I will make my own after that. I object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS CONSENT REQUEST—S. 788

Mr. DURBIN. I ask unanimous consent the Senate proceed to consideration of Calendar No. 64, S. 788, a bill to suspend the fiscal year 2013 sequestration and offset with funds from overseas contingency operations; that the bill be read three times and passed, the motion to reconsider be laid upon the table with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

The Senator from Pennsylvania.

Mr. TOOMEY. Mr. President, reserving the right to object, I would like to explain what this amounts to. Let's be very clear. There is no money in the overseas contingency operation fund. This is barely an accounting device. Do you know what this really is? The proposal is that we do away with the sequester and we thereby spend more money and we just pretend it is offset. But the fact is, some time ago, this administration made a decision about the level of our involvement in Afghanistan that had nothing to do with this sequester. That has nothing to do with the sequester. The fact that we are no longer at war there does not allow us to spend money we do not have.

Let me give an analogy. I could come down to the Senate floor and suggest I think it should be the policy of the United States that we absolutely not invade Canada and we not have a war with Canada. Imagine the money we could save if we do not go to war with Canada.

So, with all that savings, let's go out and spend it because we have this terrific savings. This proposal is absolutely no more meaningful than if I were to make that suggestion, which obviously everyone understands is ridiculous.

So I object.

The PRESIDING OFFICER. Objection is heard. The Senator from Illinois.

Mr. DURBIN. Mr. President, I just want to make one postscript. When PAUL RYAN, the Republican candidate for Vice President and the chairman of the House Republican Budget Committee, wrote his 2011 budget, he included the very fund which the Senator from Pennsylvania refers to as the Canadian invasion fund. So it was a good idea when PAUL RYAN had to write a budget. It is a bad idea when we are trying to avoid the pain of sequestration.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. SANDERS. Mr. President, I also agree we should not invade Canada. I live right near there. It would be terrible.

What we are hearing and what we have heard now for a number of months is a discussion about deficit reduction, about how we proceed and how we address the fact that this country has a \$16.6 trillion national debt. That is a serious issue.

I think as we contemplate how we address this issue, we have to put it into a broader context as to what is going on in the United States. What is the best way forward in terms of deficit reduction at a time when the United States has by far the most unequal distribution of wealth and income of any major country on Earth. In other words, we cannot talk about how we proceed with deficit reduction, we cannot say it is OK to cut Social Security or Medicare or Medicaid or nutrition programs when the middle class of this country is disappearing, poverty is extremely high, while at the same time the wealthiest people and the largest corporations are doing phenomenally well. Any serious discussion about deficit reduction has to include those issues.

Let me bore you for a moment with some interesting statistics. This, in fact, came out just yesterday from the Pew Research Center. What they said is that all the new wealth generated in this country from 2009 to 2011 went to the top 7 percent of the American households. All the new wealth went to the top 7 percent of American households, while the bottom 93 percent of Americans saw a net reduction in their wealth.

The Pew Research Center found that from 2009 to 2011, the mean net worth of American households in the top 7 percent rose by 28 percent, while the mean net worth of the bottom 93 percent of American households went down by 4 percent; in other words, the people on top are doing very well, everybody else is not doing well.

Over this same time period, the top 7 percent of American households saw their wealth increase by a combined \$5.6 trillion—the top 7 percent, \$5.7 trillion in wealth increase; the bottom 93 percent saw a wealth decline of \$600 billion. That is what the Pew Research Center reported just yesterday.

Today, when we talk about distribution of wealth and income, the wealthy-

est 400 individuals in this country own more wealth than the bottom half of America. Four hundred people have more wealth than the bottom 150 million Americans. Today, one family, the Walton family—owners of Walmart—own more wealth than the bottom 40 percent of the American people; one family has more wealth than the bottom 40 percent.

Today—and this is truly a remarkable fact which of course we do not talk about too much—the top 1 percent of Americans own 38 percent of all financial wealth. Let's guess what the bottom 60 percent of the American people own. The top 1 percent own 38 percent of the wealth. The bottom 60 percent own 2.3 percent of the wealth in America. That is a rather remarkable and disturbing fact.

Today, as Warren Buffett has pointed out, the 400 richest Americans are now worth a recordbreaking \$1.7 trillion, more than five times what we were worth just two decades ago. Meanwhile, according to a June 2012 study from the Federal Reserve, median net worth for middle-class families dropped by nearly 40 percent from 2007 to 2010. That is the equivalent of wiping out 18 years of savings for the average middle-class family.

That is distribution of wealth. That is incredibly unequal, incredibly unfair, and getting worse and worse. That is something we might want to keep in mind when we talk about how we do deficit reduction.

Then when we talk about distribution of income, what we earned last year, that is even worse than distribution of wealth, as bad as that is. If you can believe it, the last study we have seen on this subject—this is quite amazing—showed that from 2009 to 2011, all the new income created during that time period went to the top 1 percent while the bottom 99 percent actually saw a decline in their income. All the new income created in that time period, 2009 to 2011, went to the top 1 percent. Real unemployment today is not 7.6 percent, it is 13.8 percent if we count those people who have given up looking for work and those people who are working part-time. The youth unemployment rate is just horrendous, and it is even higher than the general average.

Very interestingly, a new poll came out by Gallup that was done just a few days ago—April 17, 2013. I find the results of that poll very remarkable. This poll deals with an issue that very few people in Congress are even prepared to talk about, let alone act upon.

Here is what the poll from April 17, 2013—this week—said: About 6 in 10 Americans—about 60 percent—believe money and wealth should be more evenly distributed among a larger percentage of the people in the United States, while only one-third of Americans think the current distribution is fair.

So when my friends want to cut programs for the middle class and give tax

breaks to the rich, they should understand that about 60 percent of the American people already believe that we have an unfair distribution of wealth in America. What is even more interesting, according to this Gallup poll from a few days ago—and they do this poll every year—is that a record-breaking 52 percent of the American people believe “that our government,” i.e., the Congress, “should redistribute wealth by heavy taxes on the rich.” Again, that is 52 percent of the American people who believe that.

How many Members of the Congress get up and come close to reflecting what a majority of the American people want? The American people know that the middle class is collapsing. They know poverty is unacceptably high. They know the wealthy and large corporations are doing extraordinarily well, and they want us to do something about it. But around here, forget doing something about it. We cannot even talk about what the American people want us to do.

The American people are frustrated with Congress for a whole lot of reasons, and certainly at the top of the list is how we are ignoring the economic reality facing the middle class of this country and the growing wealth and income inequality. They want us to do something about it, and I think it is high time we did.

So instead of cutting programs for the middle class, they are giving more tax breaks for those people who don't need it. Maybe we should do what the American people want and ask the wealthy and large corporations to start paying their fair share of taxes and protect working families.

Interestingly enough, we hear from the wealthiest people in this country and from their organizations. What we hear from them is not: Hey, we are doing really well. We know this country has a whole lot of problems, and we are prepared to pitch in; we are prepared to help out with deficit reduction. By the way, for those who are on Wall Street, remember that it was the American people who bailed out Wall Street. Instead of hearing how they are prepared to reciprocate now in America's time of need, unfortunately what we are hearing is quite the contrary.

Lloyd Blankfein is the CEO of Goldman Sachs, and this is what he said on November 19, 2012, to CBS:

You're going to have to undoubtedly do something to lower people's expectations—the entitlements and what people think that they're going to get, because they're not going to get it.

Blankfein and his friends at the Business Roundtable recently came out with a report. Now, the Business Roundtable is the organization representing the CEOs of the largest corporations. All of them make millions of dollars a year in salary or benefits. All of them have very generous retirement benefits. Some of them are worth hundreds of millions of dollars.

These people, the Business Roundtable, which consists of Wall Street

and other large corporations that are doing phenomenally well, came forward and said to Congress: You should raise the eligibility age for Social Security and Medicare to 70 and cut Social Security COLAs by adopting the so-called chained CPI. The wealthiest people are doing phenomenally well, Wall Street gets bailed out by working families all over this country, and then these guys come back to Congress and say: Raise the retirement age for Social Security and Medicare to 70 years of age.

Needless to say, my views are a little bit different than Mr. Blankfein's or the Business Roundtable. I believe the way to do deficit reduction is not by punishing people who are already hurting and struggling to keep their heads above water. We don't punish the sick, the kids, the elderly, or disabled veterans. We need to ask those people who are doing very well to start paying their fair share of taxes.

Now I will talk about what I think we should be doing and why we should be doing it. In 1952, 32 percent of all of the revenue generated in this country came from large corporations—about one-third of all the revenue. Today just 9 percent of Federal revenue comes from corporate America. In 2011, corporations paid just 12 percent of their profits in taxes. That is the lowest percentage since 1972.

In 2005—the last figures we have—one out of four corporations paid no Federal income taxes at all even though they collected over \$1 trillion in revenue during that 1-year period.

In 2011, corporate revenue as a percentage of GDP was just 1.2 percent lower than any other major country in the OECD, including Britain, Germany, France, Japan, Canada, and many other countries. Each and every year corporations and the wealthy are avoiding more than \$100 billion in U.S. taxes by sheltering their incomes in the Cayman Islands, Bermuda, and other offshore tax havens.

So the point is: How do we do deficit reduction? Do we say to an elderly woman in the State of Vermont who is trying get by on \$14,000 or \$15,000 a year that we are going to cut her Social Security?

Do we say to a disabled vet: Thank you for your service and your sacrifice for this country, we are sorry you lost your legs, but we are going to have to cut your benefits?

Do we say to a struggling low-income family trying to survive on one or another nutrition program: Sorry, but you may have to go hungry and not get dinner on Wednesday?

Do we say to working people who have lost their jobs: We are going to have to cut your unemployment compensation which will make it almost impossible for your family to survive?

Is that our approach or do we go to corporate America, which is enjoying recordbreaking profits?

One out of four corporations pays nothing in taxes. Do we say to them:

You know what, it is time you helped us with deficit reduction.

I hear a lot of my Republican friends and the President talking about how we need tax reform, but we are going to do it deficit neutral. No, I beg to differ. We do need tax reform. We do need to end the absurdity of losing huge amounts of money because of the tax havens in the Cayman Islands and Bermuda and elsewhere, but we also have to raise revenue when we do tax reform. It is not simply lowering tax rates.

I will give some examples about how absurd the current situation is and why—before we cut Social Security and before we attack programs that the middle class and working families of this country depend upon—we have to end these absurd loopholes corporate America is enjoying.

I have just a few examples. Bank of America is one of the financial institutions that was bailed out by the American people when their recklessness and greed almost resulted in the collapse of our financial system. In 2010, Bank of America set up more than 200 subsidiaries in the Cayman Islands, which, of course, has a zero percent tax rate to avoid paying U.S. taxes. Bank of America set up 200 subsidiaries in the Cayman Islands. In 2010, not only did Bank of America pay nothing in Federal income taxes, but it received a rebate from the IRS worth \$1.9 billion that year. Bank of America paid nothing in taxes.

In 2010, JPMorgan Chase operated 83 subsidiaries incorporated in offshore tax havens to avoid paying \$4.9 billion in U.S. taxes. They avoided paying \$4.9 billion.

Goldman Sachs is one of the largest institutions in the country. In 2010, Goldman Sachs operated 39 subsidiaries and offshore tax havens to avoid an estimated \$3.3 billion in U.S. taxes.

Citigroup, which is another financial institution that was bailed out by the taxpayers of this country, has paid no Federal income taxes for the last 5 years. That is not bad. Many people who are out there watching this are saying: That is pretty good. How did they avoid paying income taxes when they are one of the largest corporations in America for a 5-year period? That is pretty good.

During the last 5 years General Electric made \$81 billion in profit, which is not too shabby. Not only has General Electric avoided paying Federal income taxes during these years, it received a tax rebate of \$3 billion from the IRS. GE has at least 14 offshore subsidiaries in Bermuda, Singapore, and Luxembourg for the purpose of avoiding U.S. income taxes.

Does anyone still want to know why the American people are cynical about what is going on in Washington? Does anyone want to know why the Congress of the United States has an extremely low level of support or favorability? It is because the American people know they are getting ripped off. They are

working 50 or 60 hours a week, and they are paying their taxes. General Electric makes \$81 billion, and over the last 5 years they have paid nothing in taxes. Does anybody vaguely think that is fair?

We have some people who say: We want to do tax reform, but we want to make it revenue neutral. We don't want any new income in order to help us with deficit reduction. Let's cut Social Security, Medicare, Medicaid, education, but, no, we cannot get new revenue from large corporations.

During the last 5 years Verizon made over \$48 billion in profits. Not only has Verizon avoided paying Federal income taxes during those years, it received a \$535 million rebate from the IRS—not too bad.

From 2008 through 2010, not only did Honeywell avoid paying Federal income taxes, it received a \$34 million tax refund from the IRS.

Merck is a pharmaceutical company. In 2009 not only did Merck pay no Federal income taxes, it received a \$55 million tax refund from the IRS. On and on it goes: Corning, Boeing, Microsoft, Caterpillar, Cisco, Dow Chemical. I have example after example of large profitable corporations where CEOs make millions and millions of dollars, and they say to the American people: We support cuts in programs for you—Social Security, Medicare, Medicaid, you name it—but don't ask us to pay more in taxes.

This Senate has a decision to make: Do we occasionally—I am not asking for much—stand up to the lobbyists, campaign contributors, and big money interests and ask the large corporations and the wealthy who are doing phenomenally well to help us with deficit reduction or do we continue to stick it to the working families and the middle class of this country? That is the challenge and the issue we face. I hope we have the courage to do the right thing.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

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

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

#### NATIONAL CHALLENGES

Mr. KING. Mr. President, I rise today with some humility because I rise in the footsteps of one of Maine's greatest Senators, Olympia Snowe. I am fortunate enough to succeed her in this seat. In the midst of the campaign a year or so ago, I also realized I was not only succeeding Olympia Snowe but George Mitchell and Ed Muskie, who are two of the greatest legislators of the 20th century. So it is with some trepidation to be standing on the shoulders of those great Members of this body.

Most speeches we hear in this Chamber are on a topic of the day—taxation, gun control, fairness of the marketplace—but I think in order to understand the issues we are debating, the

issues coming before us on a continuous basis, we have to have some context. We have to look back to the history of this body and the history of the country.

My favorite quote from Mark Twain—and there are lots of them, but my favorite is: History doesn't always repeat itself, but it usually rhymes. And in this case I believe that is true.

Let's start with a very basic question: Why do we have government at all? Why are we here? Why do we have this grand edifice? Why do we have the rules and laws and this panoply of the Constitution?

Well, it is all about human nature. Unfortunately, part of human nature is conflict. Often it is conflict that is resolved by violence. Hobbes, the British philosopher, said: "Life is nasty, brutish, and short."

A few years ago, Bill Moyers, whom I believe is one of the wisest living Americans, spoke at the graduation of one of my sons. I was at the graduation because I wanted to see what \$100,000 looked like all in one place at one time. Now it would be \$200,000. But Moyers had a very profound observation, and he talked about the propensity of people to be mean to each other, to resolve disputes by violence. He used a phrase that has stayed with me, and I think it is very profound: "Civilization," Moyers said, "is an unnatural act." Civilization is an unnatural act. It takes work to maintain civilization from one generation to the next. The world around us today gives us evidence of this. All one has to do is open the paper: North Korea, the Middle East, and, Lord help us, the Boston Marathon or two little boys in a sandbox with one truck. Conflict is part of our human nature.

So the basic function, the basic necessity that brings forth any government throughout history is to provide security to our citizens, internal and external, and, of course, the Constitution says this in the Preamble: to "ensure domestic tranquility"—that is Al Capone—and "provide for the common defense"—that is Hitler or al-Qaida. But, then, the paradox is once we create a government, we are handing over power to other people, and there is always the danger the government itself will become abusive, and that has been true throughout human history.

The ancient Latin quote is, "Who will guard the guardians?" Governments are about power—power we give up in order for governments to serve us. But, again, human nature raises its head. Lord Acton, the 19th century British philosopher, again had a very profound observation: "Power corrupts, and absolute power corrupts absolutely." That is true of all people in all times and in all places. Power corrupts and absolute power corrupts absolutely.

So these two questions—why have a government and how do we control the government once we create it—encompasses all one needs to know about po-

litical science. Our Constitution is the best answer ever provided to these two questions. It is the best answer, and the Framers knew exactly what they were doing.

Madison, in the 51st Federalist—and I have to apologize to my female Senator friends because Madison only talked in terms of men, but when we hear "men," we think "men and women." He meant that, he just didn't say it. But in the 51st Federalist, here is what he said: "If men were angels, no government would be necessary." We wouldn't need it. Then he said:

If angels were to govern men, neither external nor internal controls on the government would be necessary, either. In framing a government which is to be administered by men over men, however, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place, oblige it to control itself.

That is the whole deal. That is what the Constitution is all about. How did it do it? I think the best analogy for the U.S. Constitution is the homely Vegemetic. Remember Billy Mays: It slices, it dices, it purees. The Constitution is the Vegemetic of power. It slices and dices. It lays it out. It divides it between the people and the government, between the Federal Government and the States and the localities, and within the branches of the Federal Government. Power is separated, and that was the theory of the Framers; that this division of power—ambition combating ambition—was the structural solution to the danger of the government abusing its own people.

Then, finally, they weren't satisfied, and in the ratification of the Constitution was adopted the Bill of Rights. The Bill of Rights is nothing more than a sphere of protection around each of us as individuals that says even if the government follows all these arcane rules and all these Rube Goldberg procedures and a law comes out at the other end, if it violates free speech, it is no good. If it violates the right to bear arms, it isn't valid. If it violates people's right to be secure in their persons and possessions, it is off limits. So the Bill of Rights is the last sword, shield, and buckler that protects us from an abusive government.

The tension between effective government and controlling government has never been resolved in this society. Many of the arguments we are having now about gun control, the Federal budget, financial regulation, health care, climate change, and environmental policy are all manifestations of this age-old debate we keep having.

What I think is amazing is that the arguments and even the rhetoric—the words themselves—always seem to be about the same. On the Federalist side, we always hear about the necessity of national solutions to national problems, universal principles, appeals to fairness. On the other side, we hear allegations of tyranny, nullification, references to Jefferson's famous quote, that "occasionally the tree of Liberty

must be watered with the blood of Patriots and Tyrants." The 10th amendment, States rights, and hints of secession, the rhetoric is the same. In fact, the current divisions in this Congress between traditional Democrats and a Republican Party largely driven by the anti-Federalist sentiments of the tea party is at least the 10th time this same issue has arisen in American history.

The American Revolution itself, No. 1, was a populist revolt against concentrated power far away. Second, the drafting of the Constitution arose out of the weaknesses of the Articles of Confederation. Many of us—all of us—sort of feel this government has been what it is forever. For 7 or 8 years, between the end of the Revolution and the drafting of the Constitution, we were governed by something called the Articles of Confederation, which was too weak. It didn't concentrate power enough, and that gave rise to the Constitutional Convention in 1787.

Then, the ratification of the Constitution and the Bill of Rights was itself a manifestation of this argument—the argument that the wonderful terms "Federalist" and "anti-Federalist" describe the division in the country which we are fighting over to this day. I think of HARRY REID and DICK DURBIN as Hamilton and Adams and MCCONNELL and CORNYN are the pre-1803 Jefferson and Madison. I say pre-1803 because Jefferson was the apostle of States rights, but he became President and somehow found in the Constitution the heretofore unknown right to buy Louisiana. We are glad he did.

The Alien and Sedition Acts of 1800, which were the PATRIOT Act of the day, passed by President John Adams to get at what they thought were seditious activities in the country. Jefferson, when he was Vice President, secretly wrote a resolution for the Kentucky legislature saying that the Alien and Sedition Acts were null and void in Kentucky and were a violation of the constitutional principles.

The tariff of 1828, known as the Tariff of Abominations, was a tariff that protected northern manufacturers, but it prejudiced the South and, lo and behold, South Carolina wanted to nullify it and, in fact, in 1832 voted to do so. The nullification crisis of 1832 was only averted by the election of Andrew Jackson and a compromise tariff that was passed in 1834.

That is five times already.

This is an interesting one. The fugitive slave laws in 1850 were passed by the Federal Government and it says if a slave escaped into your State, even if it was a free State, your legal enforcement community had to cooperate and return the slave to its master. The Supreme Court of the State of Wisconsin in 1854 declared that law unconstitutional, void, and of null effect in the State of Wisconsin. Again, it was the tension between the power of the Federal Government to remedy national

problems and the rights of the States and the people to make their own decisions.

Of course, tragically, the most dramatic manifestation of this was the Civil War, but the Civil War itself was about this very question. Wrapped up in States rights and slavery, it was a question of what are the powers of the Federal Government and what are the powers reserved to the States and to the people. We all know the tragedy of that event and what happened.

I think one of the most interesting results of the Civil War is a change in English usage of the term "United States." Prior to the Civil War, people in the United States referred to the United States as a plural noun: the United States are; they are. The United States, they are doing this or that. In other words, they referred to themselves as a collective, as a group of States. After the Civil War, the usage which we have until today is that the United States is a singular noun, one country: It is. That is an amazing development. There was no law passed, but that showed how the people's view of what their country was all about changed.

In the early part of the last century, the New Deal and the two crises of depression and war—particularly the Great Depression—the issue then was fought out in the Supreme Court, and the U.S. Supreme Court at first said the New Deal laws were unconstitutional. They went too far. The commerce clause wouldn't stretch that far. Then, of course, there was a lot of politics and discussion. The case went back—I believe it was the "sick chicken" case—and the Supreme Court said: Well, maybe the commerce clause does stretch that far. Historians refer to that as "the switch in time that saved nine."

The civil rights movement was happening as I was growing up, and States rights was the rhetoric again. What are the powers that we have in this city versus the communities and the States.

Here we are, No. 10: The tea party and the urge to shrink government. The resistance to the Affordable Care Act. I was always surprised that summer when people were getting red in the face about a health care bill. It wasn't the health care bill; it was the perception that Washington was somehow taking over something that should have been left to them.

Gun control is a classic example which we were debating last week, and the irony and the difficulty of gun control is the problem is largely local and particularly in urban areas, but the solution is national because the guns being misused in urban areas come from all over the country. That is why, in my opinion, we need national legislation; at a minimum background checks and trafficking regulation. Regulation itself is an expression of governmental power, and it is resisted in many parts of the country.

Budgets—finally, budgets. I shouldn't say finally. My wife says I say "fi-

nally" too much and it gets people's hopes up. Budgets. A budget fundamentally reflects policy. It fundamentally reflects what we believe about ourselves and about the government. The budget passed by the House—the so-called Ryan budget—is a classic political document. I don't mean that in a negative sense. It espouses a philosophy of what this government should be. It is one more step in this discussion.

I do not believe the Ryan budget is about debt and deficits. It is about shrinking government. That is what the policy is: to reduce the size of the government to a place where it is much smaller.

Federal spending is not out of control. Nondefense discretionary spending today is the lowest it has been in 50 years. Defense is about the same. What is out of control is all of our spending on health care. That is what is driving the Federal deficit. It is not about debt and deficits, it is about shrinking government.

So where does this leave us? An interesting history lesson.

I hope something more.

First, I think it provides us with a way of understanding what separates us. If we understand what is going on here in this Chamber, I think it helps us.

Second, I think it is important, for me anyway, to believe there is no right answer to this question. There is no right answer. It cannot be all one or the other. Neither side has exactly the right response. We should not be an uncontrolled, central government, and we should not be a government that is so dispersed that we cannot do anything. The tension is hard-wired into our system, but I think it helps us find balanced policy.

We need a national government—we need a strong national government—for the same reasons as in 1789: to solve national problems, problems that cannot be solved at the local level either because of the scope of the problem itself—global terrorism: I am sorry, the Brunswick Police Department cannot deal with all the terrorism—or because piecemeal solutions will not work. Environmental protection has to be done locally, but it also has to be done nationally. Air moves. Polluted water moves.

Or immigration. It has to be a national solution.

I am sorry, but strangling government in the bathtub is even less feasible today than it was in 1789.

Gridlock, which is, if you think about it, gridlock is total victory for the anti-Federalists. Gridlock is not the answer. The Framers knew the government had to work. It may be slow and cumbersome, but, ultimately, it had to be functional. Madison recognized this, and so did the preamble: "to form a more perfect Union"—"a more perfect Union"—than that which had been formed by the Articles of Confederation.

On the other hand, on the other side of this argument, though, Federal solutions all the time are not the answer either.

There is a grave danger that we all face because our job here is making laws; and the problem is, if the only tool you have is a hammer, every problem looks like a nail. If the only tool we have is laws, then we are inclined to try to solve every problem. I believe States rights are important. I think States have an important role to play in our system, and I think they are the best places to solve a lot of the issues that are facing our country.

One of them is education. I remember sitting at home and watching the debate between George W. Bush and Al Gore in 2000, and they were arguing what size the classroom should be and how big the school should be, and I turned to my wife Mary and said: These guys think they are running for superintendent of schools.

This is not a Federal issue. The Federal Government has a responsibility in education: to fund, to do research, and to help, but not to guide.

Overreaching regulation, in my view, is a problem. I believe in structural solutions. I was not a Member of this body, but had I been, I suspect I would have opposed Dodd-Frank and supported the restoration of the Glass-Steagall Act. I think that is a structural solution because regulatory solutions always end up being burdensome.

A friend of mine in Maine sent me a picture of him sitting next to a stack this high of regulations at a community bank as a result of Dodd-Frank that they are going to have to abide by. This is a community bank. Bangor Savings Bank did not cause the financial crisis of 2008, yet they are having to bear the burden of these regulations, which are expensive, which are drying up credit for their customers, and which I do not believe are going to contribute to a solution.

Another point on this, on the anti-Federalist side, is that deficits do matter. Deficits do matter. We cannot continue to burden our children with the costs of government.

In a hypercompetitive world, it seems to me that every tax dollar counts and every regulation must be smart and minimally intrusive. This is a new world we are in. We are competing not just with companies around this country but with companies all over the world, and they want our jobs.

Understanding these differences and this age-old argument, we have to understand that we cannot be enthralled to this debate. We cannot be locked into it. But we do have national challenges. They have to be met with national solutions. Challenges such as cyber threats, research, infrastructure, gun crime, terrorism—and, Boston, by the way, is an example of coordination between levels of government that I think worked very effectively.

Our failure to act is a disservice to those who built what we have inher-

ited. Calls to cut government spending are fine, but they must be matched with specifics. You cannot just talk about government spending and not talk about FAA towers or our intelligence community or our defense capability.

We have to understand that each generation must meet its own challenges and redefine this question with its eyes open to practical effects, without blinders on of absolutism or ideology.

As I look back on history, the great accomplishments of the body, the great accomplishments of this government, have rarely if ever been victories for one side or the other. Instead, they have been based upon hard-fought battles and grudging compromise, recognition of national needs along with local interests, and a willingness to honor our most basic charge: to form a more perfect union.

I hope in a small way to contribute to this, to contribute to the search for solutions that are practical and effective. I am caucusing with the Democrats, but I agree with ENZI and ALEXANDER on the Marketplace Fairness Act. I agree with ENZI and ALEXANDER on the Marketplace Fairness Act, but with BLUMENTHAL and KAINE on guns. I agree with BLUMENTHAL and KAINE on guns, but I agree with COBURN on duplication and regulation. And I agree with COBURN on duplication and regulation, but I agree with MURRAY on the budget.

We face serious challenges—defense, budget, and constantly changing circumstances. We live in a time of accelerated change.

Almost exactly 150 years ago, our greatest President sent a message to Congress in the midst of the greatest crisis this country has ever faced. His message was about change and about how to deal with change and was to try to shake Congress out of the lethargy of politics as usual because we were in the midst of the Civil War.

I cannot argue that the crises we face today collectively or individually equal the Civil War, but they are pretty serious. I have been in hearings in the last 2 weeks in the Intelligence Committee and the Armed Services Committee, and every single one of the top professionals in both defense and intelligence have said this is the most dangerous and complicated period they have experienced in their 35, 40, or 50 years in this business. So we are facing some serious challenges.

I want to share with you what I believe is the most profound observation about how we deal with change that I have ever encountered. December 2, 1862, President Lincoln sent the message, and here is how it ended. Here is what Abraham Lincoln said:

The dogmas of the quiet past, are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise—with the occasion. As our case is new, so we must think anew, and act anew.

And here is the key line:

We must disenthral ourselves, and then we shall save our country.

We must disenthral ourselves, think in new and different ways, and then we shall save our country.

Thank you, Mr. President.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

COMMENDING SENATOR KING

Mr. DURBIN. Mr. President, let me salute my colleague from Maine for an extraordinary maiden speech on the floor of the Senate. It was a great lesson in history, and those of us who continue to study history realize he has an insight into this Nation which we all should hear and share. I thank him for being here and for sharing his thoughts with us, and particularly for being part of the solution to America's challenge.

As I said to him when I went up to him, you will never get in trouble with me if you quote somebody from Illinois; he quoted Abraham Lincoln, and did it in an extraordinary way.

So I thank him and commend him for his fine statement.

Pending on the floor is the Marketplace Fairness Act. It is a bill which has been before this body now for almost a week. It is 11 pages long. It is not a new concept. Members have had ample time to review it. We have had three successive votes on the issue—on the budget resolution, on cloture on the motion to proceed, and on the motion to proceed—and the outcome of those votes were 75, 74, and 75. That is an extraordinary majority in this Chamber and indicates a willingness to tackle this problem and pass this bill.

I have invited my colleagues, as has Senator ENZI, to come to the floor. If you have something you wish to offer to this bill, bring the amendment to us. It is not that we are going to accept every amendment, but that is not what the process is about. Some of these amendments will be offered for a vote, as they should be, and debated.

So far, there has only been one amendment that has actually been offered on the floor, and it was objected to by the Senator from Oregon, Mr. WYDEN. The amendment Senator WYDEN objected to was called the Internet Freedom Act, and it basically said we would renew our 15-year commitment that we will not tax Americans for access to the Internet. I think that is good policy, the Internet Freedom Act. So I invited Senator PRYOR to offer that on the underlying bill, and it was objected to by the Senator from Oregon. Make no mistake, the Marketplace Fairness Act that Senator ENZI and I and Senator ALEXANDER and Senator HEITKAMP bring to the floor is not at war with the Internet at all. We value it. It is an important part of our economy, an important part of our lives. We support the notion of Internet freedom from taxes.

What we are trying to achieve, though, is the appropriate role for the Internet when it comes to retail sales. The Marketplace Fairness Act levels the playing field between businesses on Main Street or in shopping malls and businesses on the Internet. It says, if the business in Chicago, IL, on Michigan Avenue has to collect sales tax on sales over the counter, then Internet retail sales into the State of Illinois face the same sales tax. That is it. It is not that complicated. No Federal tax, no new tax; only the collection of existing State sales taxes. That is all we are asking for.

Our opposition comes from several quarters, but primarily from no-sales-tax States such as Oregon, Montana, New Hampshire. Those Senators from those States where they pay no sales tax whatsoever would not even require their Internet sellers to collect sales tax on sales made in other States.

At the end of the day, if Marketplace Fairness passes, the citizens of Oregon will not pay 1 penny in sales tax more they pay now, nor will the citizens in Montana, New Hampshire, Delaware, or Alaska. The State law prevails. We do not change it at all. But to suggest you could sit in Oregon as an Internet retailer and sell into our States at a disadvantage to the local businesses and not collect sales taxes is unfair.

What we are trying to achieve here is fairness and balance. We have obviously the major retailers across America supporting this, but more. We have units of government that are now not receiving the sales tax receipts from Internet sales they could. Of course, we have others interested—developers, Realtors, labor unions, business groups. It is the most amazing coalition backing the Marketplace Fairness bill.

Senator ENZI and I urge every Senator with an amendment to this bill, come to the floor now. Do not wait until tomorrow, and certainly do not wait until Friday. We want to bring up those amendments. I hope those opposing this bill will not continue to object to them, as the Senator from Oregon did earlier. But if you have an amendment, please bring it to the floor. Members get squirmy on Thursday night and Friday morning. They want to get back home. I understand that. But if you want to reach that deadline and do it in the appropriate, timely way, please bring all amendments to the floor now. We urge our colleagues to do that.

I yield the floor.

Mr. ENZI. Mr. President, I want to congratulate the Senator from Maine on his speech. It was a tremendous history lesson. I have enjoyed getting to know him a little bit since he got here. I had quite an interesting surprise yesterday. He came to my office and he brought an American flag, all framed. The way he got it, there was a desk his great-aunt had. The desk was probably made in the 1860s. But behind one of the drawers they found this flag. It was a flag with 44 stars. Wyoming was the

44th State. So he presented this framed flag to me. Incidentally, that was only the flag of the United States for a 6-year period. Then some other States came in and we added them. It has an interesting arrangement of stars on it too, because the 44 stars do not fit in a nice even pattern unless you did four rows with 11 in a row. That changes the dimensions of the flag considerably.

I appreciate his consideration on that. I appreciate the consideration he has given to pieces of legislation that I have seen him work on. We do not agree on all of those pieces of legislation, but it is nice to have the concern and the thought and the process for getting things done that he brings to the Senate. That is very nice.

I too want to encourage my colleagues if they have amendments to bring them down. That is what we say this process is about. This is an amendment process on the floor, which everybody has asked for. We are doing it. So we need the amendments. A number of people have talked to me about different parts they had a potential concern about. I hope we solved their concern by actually looking at the wording in the bill. This is not a very difficult bill to read. Sometimes we do ones that are a couple of thousand pages. This one is 11 pages. I do not think there is anybody who will not be capable of reading the bill. Unlike most of the bills, this is in pretty normal language, rather than some of the conforming language that sometimes results around here.

I think most of the problems retailers should have with this have been taken care of. One that the non-sales-tax States talk about, and the Senator from Illinois, Mr. DURBIN, also mentioned, the people in those States still will not pay a sales tax. But if you happen to be one of the people selling into other States, and you sell a tremendous volume into other States, then under this bill you will be expected to collect and remit the sales tax, as any retailer in the States that have sales tax.

There is an exemption. The Senator from Oregon, Mr. WYDEN, asked us to have a compromise. That is why we have the exemption in there. It is a compromise. We started with it in the Senate as being a \$500,000 exemption. The House folks convinced us—as I mentioned, this is a bipartisan, Republican and Democrat, bicameral, House and Senate effort. The House convinced us that \$1 million was a more reasonable figure, and they gave some good reasons for it. Now \$1 million would give any small businessman quite a few years, perhaps—I hope it is a short period of time, but it should give them quite an amount of time before they had to adjust to this, because they have to sell \$1 million on line in a year before they have to start collecting the tax the next year.

In a State where there is a sales tax and the people are selling in the brick-and-mortar store which we are trying

to help out with this bill, they collect from every person from the first dime of sales. So we have given a little bit of a break to particularly the nontax States, and to those working on line that are small businesses to continue this effort to grow the Internet.

Of course, we are hoping a lot of our businesses in our States will get to that million-dollar mark. But here is the status on the million-dollar mark. We are told that if we reduced that to \$150,000 it would only affect less than one-quarter of 1 percent of the businesses in the United States—not very many. They are starting to be a relatively big business when they are doing \$1 million on line. This does not count their in-store sales. This is just their on-line sales. So I hope the other States that have had some difficulty with that will realize that is a pretty liberal mark we have gone to.

Of course, I know a lot of people are getting a lot of correspondence from eBay. eBay, in the 12 years I have been working on this bill, has consistently opposed it, even though they appeared almost up to the time we were ready to do the bill to be in agreement with some of the things that were in the bill.

Incidentally, that is when we had a considerably bigger bill. It was about 80 pages long. This one we changed. The main difference is now there are States rights, which there should have always been. That is the way it is in the Constitution. This is a States rights bill. That reduces the length of it considerably.

The million-dollar proposal is to give people time to adjust and collect. Incidentally, there is kind of a phase-in in this. Some people say, why don't we have kind of a phase-in? Well, we have 90 days. We agreed to do 6 months so people could gear up for it.

Besides that 6 months, the States are going to have to provide free software to be able to do the tax, so that when they put in a ZIP Code for where they are sending the product, they will automatically know the tax. They talk about 9,600 tax jurisdictions. Well, in this there are only 46 different tax jurisdictions. Nevertheless, they put in that ZIP Code and they will know what the tax is and have no liability whatsoever because that falls on the people who provided them with this free software. This makes a huge difference to States, counties, and municipalities.

I used to be a mayor. I was a mayor of a town that tripled in size during the 8 years I was mayor. Had it not been for sales tax, we would have been broke. I checked around to see how much towns and municipalities rely on the sales tax for their source of revenue. I was shocked. About the minimum that I run into is 30 percent. There are quite a few more than I ever thought that rely on sales tax for 70 percent of what they do.

So what does a municipality do with its money? Well, let's see, a lot of them have schools they have to take care of,

they have law enforcement they have to take care of, they have firefighters they have to take care of, some of them have ambulances. So it is all of the first responders essentially they have to take care of.

If you are in the northern States, as I was, you have to do it for snow removal. People are really particular about snow removal. Incidentally, Wyoming is still having a little bit of winter. Let's see, today is Wednesday, so that is typically our spring. We have a lot of snow, even in April. That is when most of our moisture comes. We get snow in January too, but that is a real dry snow. In fact, we are such a dry climate that I often tell people that even our rain is only 80 percent moisture. Of course, a lot of it gets sucked up by the air as it falls. A long rainstorm in Wyoming might be 5 minutes. We get a total of 13 inches a year. So we rely on that snow. But if you are a mayor and it snows, you have a major problem, because people expect to be able to get around. I found out that if you plow it to the center, then they cannot make left-hand turns. If it is left on the ground very long and that freezes, then you really have a problem getting it up. If you plow it to the sides, you block in people's driveways and people's cars. That usually upsets them too.

I remember when I was mayor, every once in a while I would get a call from a disgruntled citizen who would complain that I just plowed their driveway back in after they had gotten it open. They wanted to know what I was going to do about it. I would tell them to give me a few minutes. I would get in my car, which always had a snow shovel in the trunk. I would go to their house and start digging it out. Usually when they noticed me, they came running out and said: Oh, no, we did not intend for you to do that. I said: Well, everybody else is doing snow removal. I never got two calls on that. But that is another use for sales tax money. There are many more.

All of the charities in a town usually go to the city council. They say, we have this valuable project. We need some money. Anybody who says they cannot fight city hall probably never tried. A lot of those requests are granted.

But if the sales tax continues to shrink—that is what is happening with it now, State sales tax, county sales tax, local sales tax is all shrinking. If that continues to shrink, they are going to have to start cutting back on things they do. Of course, probably some of the charity things will be some of the first ones to go. It is always hard to tell what the net effect will be. But if they do not have any ability to increase the revenues they have—and most of the towns in Wyoming do not have a chance to increase the taxes they receive. Property taxes are limited by very specific sorts of things, such as how much you can levy for the cemetery, and how much you can levy

for a library, and how much you can levy for fire. Those things do not begin to cover the cost of the service that is rendered.

So to the people who are protecting the Internet, I would say it is pretty hard to flush your toilet on the Internet. Sometimes those utilities come into play with these things too. Those taxes are very important to almost all of the communities across the United States, in 46 States. The other four do not have a sales tax.

One of the things people have said is, if they get this extra sales tax, why don't they bring down some of the taxes they currently have? Some of the States and some of the municipalities and counties will do that. I have had several of them tell me that if we could get a little bit more in sales tax, we would do that.

But let me tell you a little problem we have in the Federal Government. We are out of money, so we are cutting back. And one of the ways we cut back was through the sequester.

The way some of that is worded, some of these things are considered tax expenditures. For instance, the Federal Government promised to pay a property tax in lieu of real taxes. In other words, the municipality does not tax them, the county does not tax them. But the Federal Government says: Yes, we own property. If you can sell that property at a private sale, the private entity would have to pay property tax on that. So it is only fair that the Federal Government pays taxes in lieu of taxes. They have been doing that for a number of years.

The value of the properties, of course, has gone up considerably, particularly in cities where there are Federal buildings, but also in the forests. I have people who know the value went up because they are able to lease some cabin land in national forests. Their payments have more than doubled in the last 3 years. That is a 100-percent increase. I guess this year it is even a more dramatic increase. But the Federal Government, while it is charging more for the property, is not paying more in property taxes, which would be the normal thing. This year, they are taking 5.3 percent out of every bit of that tax. Of course, I say to people: Wouldn't it be nice if when you file your Federal income taxes you could have taken 5.3 percent out of there? It is sort of the same thing. It is what the government said they would pay in taxes.

There are a number of reasons these sales taxes are extremely important and getting more important. If you had Federal mineral royalties, you lost 5.3 percent of that too. That is because the States collect—half the money from the minerals in the State are supposed to be for the State and half are supposed to be for the Federal Government. The half the Federal Government received they considered to be revenue. The half that is supposed to stay with the States or go back to the

States is considered a tax expenditure. Again, it was hit by 5.3 percent.

One of the reasons this is 5.3 percent this year in the sequester instead of 2.3 percent—which is what it was across the board for the .3 percent—is we don't have any months left to revise those expenditures, but these are one-time payments. The time for condensing them has not expired, so at the most it should have been 2.3 percent. That is a different problem that I will handle in a different bill. I am hoping people will not try to gum this up with a whole bunch of nongermane or irrelevant motions. If we stick to relevant ones where we are really trying to improve this bill, I am in favor of it. If we are trying to do some other peripheral ones, in light of the tremendous support this bill has, I am hoping people will stick to the bill and try to perfect it. We can have votes on that.

I see my friend from Tennessee is here.

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

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. CORKER. I wish to thank the Senator from Wyoming for his outstanding leadership on this issue. I know it is something he has worked on for a long time, and finally we have it on the floor for debate.

I am a strong supporter of the Marketplace Fairness Act. I thank all involved on both sides of the aisle for getting it to this place. As the Senator just mentioned, I do hope we will have an amendment process soon which will allow people to improve the bill as the will of the body sees fit.

I come from a State, the State of Tennessee, where we have no income tax. We generate funding for education and health care through a sales tax. That is the way our citizens like it.

What we found in the State over time is that more and more sales are coming into Tennessee residents over the Internet. In many cases what is happening is people are going into the brick-and-mortar stores that are all part of the fabric of our community. They are going into brick-and-mortar stores where people have made investments in land, buildings, roofs, and operation. They go in and try on goods, see how it looks, and then they order it on the Internet.

Obviously, those sales proceeds, the sales tax that normally would come with that, are therefore bypassed. What we have done over time because of the tremendous success, which I am thankful for, of the Internet is, there is actually a system that has been created to get around State laws that exist all around our country. This bill has nothing to do with imposing any kind of new tax or revenue generator. This law allows States that already have laws on the books to carry out their implementation.

Again, our citizens have no income tax. If the country and if society continues as is and sales tax continues to

erode because of Internet sales coming in from other places, what eventually could happen in our State is we will have to move to an income tax.

Our citizens like it the way it is. I am glad this legislation is where it is. I hope it is going to become law because I believe it is something that creates fairness, if you will, in the marketplace so all of those who are creating and selling goods in the State of Tennessee and other places are treated exactly the same.

I have heard some arguments from my friends in the financial community talking about this opening the door to some kind of financial transaction tax. I deal with a lot of these individuals. I am on the Banking Committee, and we discuss a lot of issues relative to financial institutions and transactions. I know of no reason anybody should have any fear of that.

There is nothing in this bill that creates a different arrangement within State or local governments that allows them to do something different than they already are doing. I don't know of any precedent that has been set in State and local governments as it relates to transactions regarding financial activities. I don't know of anything in this bill that should cause people fear of that occurring down the road.

Typically, when a piece of legislation such as comes up, we have all kinds of groups who come forward to try to poke holes in it. Some of them, by the way, are legitimate. Hopefully, the amendment process we have will help address some of the issues people may be concerned about.

A lot of times there is just fear generated to keep anything that may exist from changing. I hope when we have a debate, when we actually begin having amendments on this issue, what we will do is stick to the substance, as was mentioned, and that we will try to improve this bill in a meaningful way.

As it sits, again, I wish to thank the Senator from Wyoming. I wish to thank the senior Senator from Tennessee, LAMAR ALEXANDER, whom I know has worked very closely with the Senator. I am an original cosponsor of this bill. I think it is an issue whose time has come. I hope the Senate will pass this piece of legislation after our debate concludes. I hope the House of Representatives will do the same.

To me, this is about fairness, fairness in the marketplace so those people who are involved in sales transactions, whether they are brick and mortar or whether they are Internet and being shipped out of someone's garage or shipped from a warehouse, I hope we will achieve a balance that is appropriate for our country and fair to all those involved.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. I thank the Senator from Tennessee for his comments. He is very involved in the Banking Committee.

He understands the transaction taxes that they are talking about, and I appreciate his learned opinion on that.

Mine comes from section 3, called "Limitations," and in general it says: Nothing in this act should be construed as subjecting a seller or any other person to franchise, income, occupation, or any other types of taxes other than sales and use taxes.

I hope we stick to that and make sure it just says "sales and use taxes." I have worked on this for 12 years, so it is tough enough to extend it beyond that. I know there are lots of things people would like and to open this up.

I appreciate the one amendment that was presented but was objected to, which was an amendment which would have continued to ensure—we already have a provision that says you cannot tax the Internet. You cannot tax the Internet. They wanted to extend that another 10 years, and it doesn't expire for another couple of years.

I thank the Senator for all of the effort he has gone to on this bill and all the ways he has helped us. I appreciate his plea for people to come forward with their amendments.

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

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

Mr. SESSIONS. I would further ask unanimous consent that I be allowed to speak as in morning business.

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

#### IMMIGRATION REFORM

Mr. SESSIONS. Mr. President, we have had a long-standing problem in the enforcement of immigration laws in the United States. The Secretary of Homeland Security, Secretary Napolitano, has regularly and sophisticatedly issued policy directives that have adversely impacted the ability of law enforcement officers to do the job that is required of them by law. It has caused quite a bit of a problem.

The ICE officers association, the union, voted a couple of years ago unanimously no confidence in John Morton, the Director of that agency. He should already have been removed, in my opinion. In addition, morale, according to a government survey in the ICE officers department, is one of the very lowest in the government.

I asked Secretary Napolitano in 2011 had she met with these officers and discussed the problems. The answer was no. I asked her Tuesday, yesterday, had she met with them. She said no.

I raised the point that these ICE officers are not complaining about pay, not complaining about working conditions, and not complaining about things that often enter into employment disputes. What they are saying is that the Secretary and Mr. Morton are

denying them the right to follow the law of the United States, denying them the right to enforce the law they are required to enforce, and they charged that they are refused the right to carry out plain directives from the Congress that said under certain circumstances they shall commence, for example, removal proceedings against someone. The Secretary just says: No, we are not going to do that anymore.

Well, here is a very unusual development, I would suggest. I started out as a young Federal prosecutor in 1977, and I have never heard of this occurring. The ICE officers sued Secretary Napolitano and Mr. Morton, and they raised the suggestion they were placed in an untenable position where the law required them to do one thing and they were told by their superiors to do something contrary to law. The case was heard in Federal Court.

In the hearing yesterday, I raised this with the Secretary. And my friend, the chairman of the Judiciary Committee, Senator LEAHY, laughed. He said: Well, a lot of people file lawsuits, but it is another thing to win one of these lawsuits.

That is true. It is unusual to see some of these lawsuits that are filed actually reach a situation in which Federal officials are directed to do something. But it appears that is exactly what the Federal judge did yesterday. He said the Secretary doesn't have the ability to direct agents not to do what Congress has explicitly required them to do. They have a right to have certain policies and procedures—although those are pretty dangerous as it is because setting prosecutorial guidelines and procedures can create a circumstance in which effective law enforcement is neutered. But to go forward and actually dictate that mandated statutory requirements not be enforced, this Federal judge suggested, was not acceptable.

One ICE agent testified at the hearing that agents have witnessed large numbers of criminal aliens in jails telling each other how to evade immigration laws because word has gotten around that ICE agents are required to take their verbal claims at face value. If they say they have been here and came here as a child, that must be taken at face value, without verification, and ICE agents must then release them instead of putting them on a path to removal.

Another officer, Chris Crane, the president of the 7,600-member association, testified in court the administration's policies put officers in the untenable position of releasing illegal aliens from custody who have been identified as a result of their criminal behavior simply because word has gotten around they do not have to be deported if they claim to qualify for the President's administrative amnesty.

It is a remarkable development, that a Federal judge has concluded that law enforcement officers in America are being directed not to follow plain law.

With regard to the proposed legislation produced by the Gang of 8 that is going to be brought up tomorrow in the Judiciary Committee. It has hardly been read yet, but we know that law greatly expands the discretion given to the Secretary of Homeland Security. In many different places it gives the Secretary the power to do that and waive some of what would appear to be plain policy goals of the act, at least according to the people who sponsored it.

This has far-reaching implications for the debate on the reform of immigration. The bill gives the Secretary an unprecedented amount of discretion and waiver authority. By some estimates, there are over 200 mentions in this nearly 900-page bill of giving more power to the Secretary. Five times in the bill it affirms the Secretary's "unreviewable discretion" to waive or alter provisions of the legislation as she sees fit. In fact, the bill essentially codifies the flawed policies that are now being challenged in this lawsuit. It gives statutory power to the Secretary to do what she has been doing.

Indeed, illegal immigrants apprehended after the new law goes into effect would not enter deportation proceedings. Instead, the Secretary "shall provide the alien with a reasonable opportunity to file an application" for provisional legal status provided the immigrant "appears prima facie eligible, to the satisfaction of the Secretary." The bill emphasizes that it is not designed to "require the Secretary to commence removal proceedings" against any illegal immigrant.

We have a Secretary of Homeland Security who is issuing policies that require sworn law officers not to enforce actions specifically required by congressional law. A Federal judge just yesterday found that is not proper, and stated in effect the Secretary is not above the law, which I think most Americans would certainly agree with. Now we have a proposed new law that would give more authority to the Secretary to continue to waive policies in the future and would grant the Secretary additional discretion in many areas.

This is the problem, colleagues: Congress tells America we are going to give legal status—amnesty—immediately to some 11 million people who have entered the country illegally. By definition, that is to whom this applies. And we say: Trust us, we are going to have the toughest laws you have ever heard of in the future. Well, first, these laws aren't that tough. Secondly, it provides multiple waiver authorities to the Secretary of Homeland Security, and this Secretary has proven she is not willing to have the laws of this country enforced. She has even been sued by her own law enforcement officers, who have just won at least an initial victory in a lawsuit in Federal Court.

This is a dramatic example of the problems I have been hearing from Federal law officers. They need to be

respected and affirmed in their duties. On a daily basis they are out confronting people who are in this country unlawfully and violating various laws. They are trying to remove them from the country, as we have always done—and as every country does when people violate their laws—and they have been undermined in that. Their morale has plummeted, and the Secretary hasn't even talked to them.

I will tell you who else hasn't talked to them—the people who wrote this bill. Chris Crane, the head of the association, wrote, called, publicly asked for the opportunity to participate in these discussions and at least tell them what the real world is like. But, no, they had the chamber of commerce, they had the agriculture people, they had certain union officials, they had La Raza. They have all been meeting and talking but not the people out there struggling every day trying to make sure we have a lawful system.

That is what the American people are asking for. The American people are not angry at people who want to come to America. We believe in immigration. We are going to see immigration continue. No one is suggesting that is going to end. But the American people are upset with their politicians and their government leaders who say one thing, promise one thing, and do the exact opposite. They have been promising for 30 years that we are going to have a lawful system of immigration. It hasn't occurred.

We passed a law to have 700 miles of fencing, and everybody applauded—some of them grudgingly. Yet only 30 miles of a double fencing, as required by law, has ever been built.

Twenty years ago there was a law mandating an effective entry-exit visa system. Some of the foreign terrorists came in on 9/11 under the visa system. Forty percent of the people here illegally, it now appears, come to this country through the visa system. It hasn't been fixed yet, but we continue to promise we will do it sometime. Even this bill, as I look at it, won't close the gaps in the entry-exit visa system. It will not fix that problem.

So I think the American people are pleading with Congress to do the right thing, to actually make sure we have a system that serves the national interest and is fair. No system is fair if people who do the right thing have to wait and wait and wait and people who do the wrong thing get rewarded. That is so obvious as to be unmistakable.

So I look forward to going forward with a discussion of what we can do to improve this system. We certainly need improvement. I certainly respect my colleagues who worked on it. I think their hearts are right. I know their hearts are right. We can do some good things. But I do believe the American people are right to be dubious. The American people are right to watch this very carefully, and they should not affirm another one of these situations in which a promise occurs, such

as an immediate grant of legality, with a vague promise of enforcement in the future. This court case is dramatic proof that enforcement has not been happening.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER (Mr. BROWN). The senior Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I would like to say a few words about the pending bill before us.

This bill will hurt small businesses not just in Montana, New Hampshire, and Oregon—non-sales tax States—but all across the country. The bill will let one State go after businesses in another State. This bill could give any State the right to make businesses across the country collect sales taxes for that State when selling products online. Therefore, businesses could be forced to spend their time and money collecting taxes for States across the country with no benefit to them.

I am repeating that this bill has not been through regular order. The Finance Committee has not had a chance to improve this bill or address the many unanswered questions about its provisions. The floor of the Senate is no place to try to improve upon the bill and make the bill work.

Years of work have been put into the issue of State sales taxes, and I commend Senators DURBIN and ENZI for it. Unfortunately, that work is not reflected in the bill on the floor today.

For years, the concept of allowing States to require out-of-State sellers to collect sales taxes on their behalf was done through a compact known as the Streamlined Sales and Use Tax Agreement.

After over a decade of work on streamlining, only 24 States adopted the required simplification measures. The remaining States refused to join the compact. Why? Because they didn't want to meet the requirements for simplification.

To break the logjam, Senator ENZI introduced the Marketplace Fairness Act in November of 2011. This new bill is nothing like the streamline bill. They are totally different bills with different legislation.

This new bill says a State can require out-of-State sellers to collect sales taxes on their behalf simply by meeting six or so simplification requirements. But these simplification requirements were ones chosen that the States could easily or already meet. They are window dressing.

First, the bill says a State must provide software free of charge that calculates sales taxes due. What that means to the business owner is 45 different pieces of software. What kind of software is it going to be? Could it be a single Microsoft Excel file buried deep in a State's Web site? How would a business make this software workable? The bill does not say.

Let's say a business thinks the software provided by a State isn't good

enough—that it isn't workable. Now this business will be forced to go to court in that State and prove the State didn't meet the simplification requirements. What kind of fees—not to mention time—is that going to take? A business will have to purchase software or services from a private company to collect sales taxes owed for multiple States. This won't be free. Businesses will also have to pay for the ongoing service of collecting and filing taxes.

Second, one of the most confusing issues a business ever faces with State tax issues is whether it has what is called nexus. In tax jargon, that means sufficient connection to the State. If the business has nexus, it has to collect sales taxes on sales into the State right now—whether or not this pending legislation is passed. This bill does nothing to solve the confusion on nexus. Even if it passes, businesses will still grapple with the issue of whether they have nexus in other States.

Why does this matter? This matters because the bill sets up rules only for those out-of-State sellers with no nexus—termed the remote sellers. Does this sound complicated? It is. It is very complicated.

This bill creates one set of rules for sellers that have nexus prior to the Marketplace Fairness Act, and another set of rules for remote sellers. What does the small business owner do who isn't sure where his business falls—into one category or the other? If you get it wrong, that business may be exposed to additional penalties.

Third, even if the business is clearly a remote seller, the so-called simplification requirements are in no way simple. Streamline—that is the other legislation that was worked out between about 24 States—was book length. Here, instead, we have a bill that is only 11 pages.

The bill's sponsors have thoroughly compromised with 100 different factions on this, and what they came up with may look simple on the outside but is total chaos underneath. Remember, too, a business still could be forced to file sales tax returns in 50 different jurisdictions. Some of these returns are due monthly. A business will be subject to all those different jurisdictions' definitions of what is or is not taxable. It varies by State. In addition, small businesses will be exposed to audit, collection, and enforcement by 50 different States.

This bill carves out businesses with less than \$1 million in remote sales. That threshold is too low. Retailers have notoriously low profit margins, and small businesses can easily surpass that threshold with sales. In committee we could actually look at data to see what makes sense. We could bring experts in to talk about what a real small seller exception should look like, rather than arbitrarily picking a number.

I know Senator DURBIN has invited Senators to come down to the floor and offer amendments. Other Senators are

offering amendments on different State tax issues, such as the Internet Freedom Act. But the floor is not the right place to mark up a complicated statute, let alone tack additional legislation onto the bill. This bill needs to be reviewed in a comprehensive and thoughtful manner through regular order.

I repeat: This bill is not thought through. It is bad for Montana, and it is bad for small businesses all across our country, and not just nonsales-tax States.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The senior Senator from Texas is recognized.

#### SEQUESTRATION

Mr. CORNYN. Mr. President, amid complaints from the White House about the FAA furloughs, we need to keep at least one thing in mind: The sequester was President Obama's idea in the first place. His administration created it; he signed it into law on August 2, 2011; and he knew the date it would go into effect. And yet, as the deadline approached, earlier this year the President and his administration traveled the country to stir up anxiety, concern, and fear over the imposition of the sequester, warning that the sky would fall like a modern-day Chicken Little.

It has been almost 2 months since the sequester took effect, and the administration's claims that the sky would fall have each proven to be false.

First, we had the Secretary of Education Arne Duncan claiming the school teachers were already getting pink slips. But that wasn't true.

Then President Obama declared that U.S. Capitol janitors were getting a pay cut. But on further examination, that proved not to be true.

Customs and Border Protection initially told their employees—including border agents—that they might be furloughed. However, a month into the sequester, Customs and Border Protection walked back that claim and decided to make better use of departmental resources.

The Director of the National Park Service said the sequester might lead to cancellation of Washington, DC's cherry blossom festival. But as all the visitors who flocked to DC can tell you, the festival went on as planned, and Washington's Metro reported one of its highest ridership days in its history.

With all of these bogus claims, it seems the administration is desperate to prove it wasn't crying wolf after all.

For example, we are learning that the Federal Aviation Administration is now deliberately engineering flight delays—deliberately engineering flight delays, just as families gear up for their summer travel. It is a bizarre, almost surreal experience. All across America, businesses work hard to take care of their customers because they know their livelihood depends on their ability to satisfy their customers' needs. But when it comes to the administration and the Federal Government,

the FAA and this White House are deliberately trying to make it harder on their customers—the people who use the airways and fly airplanes.

Last week the head of the FAA acknowledged that, like other government institutions, his agency has the discretion to fund high-priority projects—over low-priority projects not a particularly remarkable statement in and of itself. But we know now that instead of using that discretion, the FAA has announced it plans to furlough employees for the remainder of the budgetary year, potentially leading to flight delays all across this country.

The FAA's Director claims he has used all the flexibility allowed to him under the law—even though his agency spends \$541 million on consultants, \$179 million on travel, and \$134 million on office supplies.

By comparison, the sequester cuts the FAA budget by \$637 million—less than 4 percent of the agency's 2012 budget. I don't know any business in America that can't manage a 4-percent cut in their income. But the FAA apparently can't, without disrupting the air-traveling public, inconveniencing them, and even creating a hardship which is completely unnecessary.

We have already seen the FAA exercise discretion to one small extent, and that is by delaying the closure of air traffic control towers until June 15, after announcing as many as three previous final dates for implementation.

Much like the proposed tower closures, this recent round of furloughs is being driven not by the necessity of budget cuts but by political calculations and sheer incompetence, along with the administration's desire to apparently maximize the pain on American taxpayers because of their refusal to take our fiscal health seriously. It boggles the mind.

We have offered legislation that would give the President and this administration the necessary flexibility to administer the cuts imposed by the sequester—which the President, again, knew was coming since he signed it into law on August 2, 2011. But our friends across the aisle blocked that legislation, which would give the FAA and the executive branch discretion, and the President's administration sent out a statement of administration policy saying that if we passed it, he would veto it.

This morning I joined with Senator HOEVEN, our colleague from North Dakota, to cosponsor bipartisan legislation that would direct the FAA to eliminate the flight delays it has imposed on air travelers. In order to meet this directive, the bill would give the Secretary of Transportation the additional authority to transfer funds within the Department's existing budget. This legislation represents just one of the many proposals that are designed to ensure that the sequester is not used as an excuse to endanger public safety and security, or inconvenience or create hardships for the air-traveling public.

Unfortunately, between the cancellation of the White House tours and now the FAA furloughs, the administration has repeatedly shown it is more interested in finding ways to inconvenience the American people than it is in looking for real solutions to our fiscal problems.

The American people, it would seem obvious, deserve more and better from their government. I urge the FAA, No. 1, to take another look at its budget, take a look at those piles of money that might be available to move around to help avoid the furloughs and avoid the inconvenience and disruption to the public or, 2, to use the flexibility that we would be glad to give the FAA, if it needs additional authority, to make commonsense decisions.

We don't need another round of scare tactics. We need a serious conversation about our country's priorities, and a budget that reflects them.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The senior Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I thank the Senator from Texas for his comments.

There is definitely a problem. We had people miss votes on Monday night because the supposed furlough that the air traffic controllers had to have in effect delayed some planes for more than 1½ hours. I looked at some of the numbers, and I don't think that had to happen. Even within areas, there is enough flexibility to do better things.

I noticed some of the sequester things in Wyoming that came out and made calls about them, and found out that people actually could change within their own budgets some things they were concerned with and make sure it didn't affect the customer.

That is just good management.

One of the things was closing down some of the visitors centers in Yellowstone and Grand Teton. They are not open yet because at this time we are just getting the snow cleared out. I called and asked about keeping them open and they said we don't have enough personnel.

You have a gift shop there. That is a profit center. You are supposed to be making money on that.

They said the money goes to the general fund.

I said: Where do you think your money comes from?

The gift shop should operate, and if they have a problem with personnel, all they have to do is the person who runs the gift shop opens the door, does their day's sales, and in the evening as they are ready to leave, I hope they would look up and down the street and see if another customer was coming, but if they were not, go ahead and lock the door and leave. That is just good business. That is the way they could operate. It is my understanding those gift shops and visitors centers will now be opened.

There are ways that could be handled. To go back to the bill—

Mr. DURBIN. Will the Senator yield for a question?

Mr. ENZI. I yield the floor.

Mr. DURBIN. I would like to engage the Senator in a dialog, if I can, through the Chair.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DURBIN. The Senator from Wyoming and the Senator from Tennessee and I, along with the Senator from North Dakota, have brought this measure to the floor and invited our colleagues to file amendments. We are starting to get a response. I can give this general report, kind of general observation, because we have to decide how to move forward.

So far there are about 13 amendments that have been suggested to us. I would say, off the top of my head, six or seven of those I would move to table if they are brought to the floor because they all amend the Internal Revenue Code. They change Federal taxation. Our bill does not change Federal taxation, and we run into a procedural problem, known as a blue-slip problem, if we amend the Internal Revenue Code in the Senate and send that measure over to the House.

So I urge, and I hope my colleagues will join me, colleagues who want to change the estate tax, gift tax, whatever it may be, please save that for another day. If they bring it to the floor, if we end up voting before cloture, I will suggest we table those so we do not go to the merits of any of those suggestions but simply say that is not part of this bill.

There are two or three amendments, one is a managers' amendment, one is a technical amendment on our side. As you can see, we are starting to get past the halfway point of the amendments currently filed. Then there are a handful, five or six amendments from Senators from no sales tax States, and some of them are fairly predictable as to what they want. One is a carve-out amendment which says don't let the law apply to our States. I think we are going to have to face that question at some point and so be it. Let's have a vote on this and move forward.

But I am still going to join my colleagues urging everyone with an amendment, please bring them forward. Let's get an understanding of what we are going to do next. Those who have already delivered the amendments, thank you. I am sorry the Internet freedom amendment offered by the Senators from Arkansas and Missouri was objected to by the Senator from Oregon because I think it would have been a good addition to this bill.

But I yield to my colleagues and ask for their thoughts, where we stand at this moment.

Mr. ENZI. Mr. President, I appreciate that question. One of the reasons there is difficulty, there is the blue-slip problem with the House, but also we have the section on limitations in this bill that appears on page 7. There are only 11 pages in this bill so it ought to be

fairly easy for people to look through it and see what is included and what is not included. We have pretty much limited this—not pretty much, we definitely limit this to sales and use taxes. When they put other peripheral things in there, then they are opening the bill to go into a lot of different things. So I hope that would not happen.

Of course, there was some question earlier in one of the speeches by the Senator from Montana about the real difficulties of being able to administer this. Again, there are only 11 pages in the bill. Page 4 covers software, free of charge for remote sellers, that calculates the sales and use tax on that transaction due at the time it is completed. It also has to provide a way to file the sales and use tax returns, and it has to be updated for any rate changes that there happen to be.

The responsibility is all on the State to provide the software. I think the provisions that are in there pretty well specify how carefully that has to be done. If it is not, there is no liability on the remote seller. So I think we have covered that.

Yes, it will be difficult to do that software, but that is part of the provision in here. It can be done. This is a day, as the Senator from Tennessee points out, that we can put in a ZIP Code and find out what our sales tax is going to be. That is what this program is calling for. I think I have that right. I rely on the Senator from Tennessee to answer that question more specifically.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. ALEXANDER. I thank the Senators from Illinois and Wyoming for their comments. Basically, the Senator from Illinois has said the bill is ready to be amended. It is here for that purpose. We encourage our colleagues to bring amendments if they have them.

We could have started the amendments on Monday if the opponents had agreed to that. But we were forced, through Senate procedure, to go through Monday and Tuesday and most of today in order to deal with the filibuster. But we are about to be ready to vote on amendments.

It was unfortunate; some people have said in a misleading way that this taxes the Internet. Of course, it does not. There is a Federal law against taxing the Internet. The Senator from Arkansas attempted to extend that ban on taxing the Internet for 10 years and one of the opponents to our legislation blocked that. He blocked even having a vote on that. That is unfortunate.

It is ironic that the Senator from Montana would object to the fact that this is an 11-page bill. I don't want to relitigate some of the other bills we have passed around here, but there was a big hue and cry when Senators got a 2,700-page bill that dealt with health care and it was complicated and hard to read. We have gone in a different direction. We have an 11-page bill that is the result of work that has gone on

since 2001 by the Senator from Wyoming, that was introduced in 2011 in substantially this form, on which there was a full hearing in the Commerce Committee in 2012 and a partial hearing in the Finance Committee in 2012. It has been introduced with exactly these 11 pages since February of this year. So everybody can read it. It is not complicated. It is plain and simple. It is about States rights. I think it is good that we have an uncomplicated 11-page bill we all can read and we have had plenty of time to read it.

Of course, we would have preferred to have it reported by the Finance Committee, but they would not report it. So the only choice we had was to bring it to the floor. Now it is open for amendment so I hope we will do that.

The only other point is it was said there is no benefit to an out-of-State seller from, say, selling into Tennessee, if someone from Wyoming is selling into Tennessee. Of course there is a benefit. We are buying that business's goods. All we want to be able to do is to have the right to say: Mr. Wyoming, if you want to sell into Tennessee, you are going to play by the same rules the Tennessee businesses have to play by. That is all we want to do. The equal protection clause of the Constitution guarantees we cannot do anything worse to you. But if you want to sell to us, you do what we do.

We think that is fair and we think that not allowing States to consider that is forcing States to play "Mother May I" with Members of Congress about matters which should be within their own sovereign jurisdiction and keeping States from doing what they think is fair.

I thank Senators DURBIN and ENZI for their leadership.

Mr. ENZI. Mr. President, I suggest the absence a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. WYDEN. Mr. President, I think for the next half hour Senator MERKLEY and I are going to have the opportunity to outline specifically how this affects small businesses in the real world. That has always been our concern. One of the proponents of the bill earlier today talked about big businesses and big businesses getting a free ride. That is not what this debate is all about if you are from Oregon or Montana or New Hampshire. What you are concerned about are your small businesses.

These are innovators. They are people without lobbies and political action committees. They are small businesses. Someday they would like to be big, but they are trying to compete in a nationwide marketplace and they are overwhelmingly in opposition to this bill and for understandable reasons.

They hear this is all about States rights and then they actually look at what this bill does and this bill coerces them to collect taxes for, in effect, thousands of jurisdictions around the country.

It has been my interest, and I want to repeat it, to work out a compromise on this issue. Our side has put down on paper a number of proposals that we think ought to be the basis for trying to work out a position that would allow, from our standpoint, at least some semblance of a right for a State to make its own judgments and not be coerced into just going along with a piece of legislation that forces our small businesses to collect these taxes for everybody else. The way I have compared it, whenever the proponents of the bill say they are for States rights, what I have said is they are for States rights if they think the State is right.

I am going to now read some examples because my colleagues have said they want to hear specific instances. Here is what we heard from the Oregon Nurserymen. These are not big businesses. These are not businesses with 500 people. These are businesses with five, seven or eight employees. Senator MERKLEY and I are very proud of our Oregon nurseries. They produce an extraordinarily high-quality product, ranked one, two or three in every category of nursery products.

The reality is those are products that are being sought out by Americans in every nook and cranny of the Nation. That is how free markets are supposed to work. The seller of high-quality goods wins sales over those supplying lower quality goods.

What this bill is going to do, as outlined by the small businesses Senator MERKLEY and I represent, the Oregon Association of Nurserymen, this bill is going to add substantial costs to Oregon retailers and make it more difficult for them to compete with lower quality sellers in other parts of the country.

Here is a letter, and I will quote from it, from the Oregon Nurserymen. They are the growers and sellers of plants and trees. They are the prototypical small business and the backbone of our economy. This is a quote:

It is my view that this legislation would force small businesses to spend precious time generating endless sales reports for government instead of tending to customers, selling plants and trees, and creating traded sector jobs. Oregon growers are far away from their markets and we need to look to knock down barriers to sales of our green goods.

There are fewer than five people at these firms. Here is another quote from a small business:

Let's call the bill what it is—a transaction tax. As the legislation stands now, the bill will impact the marketplace—to the detriment of the small business and their ability to conduct commerce. Congress taxes things it wants to go away.

That is what these nurserymen, whom Senator MERKLEY and I represent, are saying about this bill. They

are saying the way they read this—where they would have to collect taxes for people in thousands of jurisdictions across the country—is that it is the motivation of Congress trying to make these businesses go away.

Let me just say categorically, I have known Senator DURBIN and Senator ENZI for a long time. They are not interested in an Oregon business going away or anybody else's business going away. That is not their intent. Regrettably, that is the effect. I just outlined how a small businessperson describes the nature of free markets.

We are very proud of what we do in the nursery industry in Oregon. We like the fact that we are selling high-quality goods, and we are winning those sales over those supplying lower quality goods. However, I know this is going to add substantial costs to Oregon retailers, and in their own words they have said this would put them at a disadvantage in tough global competition.

I also want to say this—particularly since the Senator from Illinois is here—because I hope it indicates my desire to try to work something out for purposes of passing this bill. I made an enormous concession for purposes of an agreement. This bill clearly gives a foreign retailer a leg up over an Oregon retailer or Montana retailer or anybody else because it doesn't apply to those foreign retailers.

One of my and Senator MERKLEY's constituents, Fire Mountain Gems—located in Grants Pass, OR—is competing in a tough global market. And what is going to happen is this bill—because it will not affect their foreign competition—is going to cause them to spend time and money that their foreign competitors would not have to do. They sell all over the country in scores of jurisdictions. This bill gives a big advantage to foreign retailers because it does nothing to, in effect, level the playing field between the small merchants and the businesses that Senator MERKLEY and I represent and their foreign competitors.

For the purpose of a good-faith effort, we have made a concession to try to work this out. At this time I am not pressing to have that flaw, which is an enormous flaw. It gives a significant advantage to foreign retailers over American business.

I see the distinguished President of the Senate here, and he has been so eloquent in standing up for the rights of American businesses. We have a feature in this bill that actually gives a huge windfall to the foreign retailers at the expense of American business.

I am not asking for that to be corrected in this legislation, even though I think it is enormous discrimination against American business. The Senator from Wyoming and I both serve on the Finance Committee. I chair the Finance Subcommittee on Global Competitiveness. It is awfully hard to be globally competitive if we give an advantage to foreign retailers. But in the

interest of trying to work this out, I said we will not insist on that being addressed in this bill. We will have to come back to the Finance Committee and look at that.

So what our side has said is—Senator MERKLEY, the Senators from New Hampshire, the Senators from Montana—just give us the opportunity to be able to tell our constituents: You are not going to have this pushed down your throat. You are not going to be coerced into collecting these sales taxes from thousands of jurisdictions around the country.

I don't see how we can have States rights if a State loses its ability to make any judgments at all about areas where it wants to make its own priorities. Its priorities are being determined right here in Washington, DC, with this legislation with respect to the collection of sales taxes. Those priorities are being made here.

When Oregon small businesses are being coerced by State governments located thousands of miles from Oregon's borders, I think that is too much. I think adding a layer of bureaucracy to the large and growing national marketplace fostered by the Net in the way this does attacks our most competitive small businesses.

I also want to highlight—because the only amendment I have objected to so far today has been the one with respect to the Internet Tax Freedom Act that I authored back in 1998 in the Senate—the reason I had to object is the text of this legislation directly undercuts the Internet Tax Freedom act, and I will be specific.

The law we wrote prohibits discriminatory taxes on electronic commerce. It is section 1101 of the Internet tax bill. It prohibits discriminatory taxes on electronic commerce. Under the text of the bill, in effect they could require an Internet company in one of these States, such as New Hampshire, to collect sales taxes for the Massachusetts government. However, if somebody drives from Massachusetts to another one of these States, such as New Hampshire, the brick-and-mortar store doesn't have to pump the perspective customer for all kinds of information about where they are from or where they are going and the like.

So the reason—with great reluctance—I had to object to adding this legislation to this bill that I am the original author of in the Senate is because this bill in its current form directly undercuts the essence of the Internet Tax Freedom legislation.

At this time I will yield to my colleague, Senator MERKLEY. I just want to make a special note that Senator MERKLEY has made a whole host of important contributions in the Senate, and I have been especially pleased he has been a persistent advocate for small business. I know the Senator from Illinois brought up big businesses in Oregon. The grief we have here is what this is going to mean to those small businesses, those nurserymen—

the Oregon Association of Nurserymen—with 5, 8, or 10 people. Those are the people for whom Senator MERKLEY and I are advocating.

I am happy to yield the rest of my time to Senator MERKLEY.

Mr. MERKLEY. Mr. President, how much time remains?

The PRESIDING OFFICER. There is no time agreement.

The Senator from Oregon.

Mr. MERKLEY. Mr. President, I compliment the senior Senator from Oregon who has come to this floor and very clearly laid out what is felt in the heart of Oregonians across our State, and that is this bill tells Oregonians they have to be the collection agents for folks from 45 other States and hundreds of local jurisdictions. This is not just an expense mandate, it is an offensive intrusion into the rights of the citizens of our State.

In that regard, I want to just engage in a few questions and thoughts with my colleague from Oregon and try to highlight some of the concerns and issues we have.

I ask through the Chair the senior Senator from Oregon: As he reads this bill, does he see in it any compensation for the time and effort that the businesses in Oregon will have to spend collecting the tax for hundreds of jurisdictions across this country?

Mr. WYDEN. I really don't. I know the sponsors of the legislation keep talking about how this is not going to be a burden, for example, to the businesses my colleague advocates for, and that there is going to be software, computers, and technology. I think my colleague's question is pivotal.

There is a little bit of interesting history I think my friend from Wyoming knows more about than anyone else. For years there has been an effort at the State level to try to remove some of the hassles and the costs that my colleague has talked about. I think the official name—and my colleague probably knows this—is the State streamlined sales tax project or something along those lines.

If it were so simple, and if this was something that didn't have the kind of costs for small businesses that my colleague is so concerned about, I think we would have already seen it put into effect by the proponents of the bill.

The reason we are on the Senate floor talking about it—and talking about Oregon businesses being forced to do this against their will—is that it is not without costs, it is not without hassle, and the technology and all of the marvels of software and computers that we have heard about for the proponents is not there. They have not been able to do it through that kind of approach—which is essentially voluntary—so now they are on the Senate floor to force States such as Oregon to do it.

Mr. MERKLEY. The Senator makes a great point. If States have not voluntarily entered into compacts where they get to collect their own sales tax

for other States where it is a mutually beneficial relationship, then it is very strange to have to be compelled—even those 45 States that have sales tax obviously were not so excited about forming such a structure. They also seem determined to pull into this involuntary structure States that find the sales tax abhorrent. If they find a tax abhorrent—and just a little bit of background there. I believe our State has voted nine times on a sales tax. Largely the vote has been on heavy majorities defeating it. Many of those votes are 70 to 30.

Some of those reasons for that is because it is an extremely regressive tax. Another reason is that it is an expensive tax to collect; therefore, it is much less efficient and much more government waste.

Now we have all these Senators who are champions of government waste not only forcing an extension of their own State's wasteful tax system, but imposing it upon the small businesses of Oregon. Then we come to a whole series of concerns that any small business is going to have in this situation.

A small business is told they must participate, and basically anything beyond a single-person shop is pulled into this bill. Then they are subjected to—I think it is over 800 tax jurisdictions—having to call them and say: We are not sure you gave us the right amount.

Is there anything in this bill that says those hundreds of tax jurisdictions out there cannot call and basically challenge whether they have the right amount of money?

Mr. WYDEN. The Senator is right that certainly those jurisdictions could challenge Oregon. It goes to the question, again, of how the systems are not in place, so let's just force Oregon to do it even though the systems have not been available. There are actually more than 9,000 separate taxing jurisdictions.

What we have been told by the proponents of the bill is that they are going to get this down to a smaller number of systems than 9,000. Again, that is why it ought to be possible—if the Senator from Illinois and the Senator from Wyoming will negotiate with us—to work something out.

We have given them on paper several proposals to try to find some common ground where our constituents—folks in Oregon especially, but they are in New Hampshire and Montana and other States that have made their own judgments—would have the ability to shape some of our own decisions. As my colleague knows, Washington State has a sales tax. We don't have a sales tax. So our region alone shows that if we could allow States to come together and make their own voluntary judgments, it is pretty clear that folks in Washington believe they made some of the right decisions for their economy and individuals and we have made our own. The fact that a State with a sales tax and a State without a sales tax coexist—and quite peaceably—right next to

each other is a pretty good argument why Senator DURBIN and Senator ENZI should work with us to have some kind of a voluntary situation.

Mr. MERKLEY. Mr. President, I think about the small businesses that would be subject to so many jurisdictions that they now have a tax relationship with and the responsibility to collect for and the possibility of having to basically call them and say: Well, you didn't do it right; you didn't use the right amount or the right software or this or that.

I can't imagine any small business wanting to be exposed to, as my colleague pointed out, 9,000—and even if it is consolidated into 800, that is still a lot of people to deal with. If we have to deal with five or six, that is overwhelming. But then the question becomes whether those States have the power to audit the Oregon small businesses as collectors of a tax, just as they might audit any other group that was collecting sales tax for their State.

Mr. WYDEN. Again, it sure looks as though those are going to be the kinds of burdens our States—the ones without a sales tax—are going to be subjected to.

The proponents say: That is not going to happen. There is going to magically be all of this software and all of this technology, so if anybody wants to come back and look later, this is not going to be hard to respond to.

I just know, looking at all of the businesses that have been in touch with us—including A to Z Wineworks, for example. We have clothing stores, such as Queen Bee, a quintessential small business that is employing eight skilled staff members who all help to bring the designs to life at the Hive on North Williams Street in Portland. The Senator and I know them. Their goods are locally crafted in Portland. Rebecca Percy there said she—I will quote her:

Building, running, and maintaining a Web site is expensive and complicated enough. I can't imagine having to include the additional infrastructure of charging and paying sales taxes to States outside of Oregon.

These are real businesses with six, eight people who, when they hear that they are going to have to pay, that they are going to run the risk of having these kinds of audits and the like, and that maybe there is going to be software and computers for them to take care of it, they say: You have to be kidding. We can't put our business at risk on the promise of that kind of hope and a Washington promise.

Mr. MERKLEY. Well, I appreciate the Senator expanding on that.

On page 6 of this bill, there is a line that starts out very promising: "Relieve remote sellers and certified software providers from liability to the State or locality for incorrect collection and remittance . . ." Well, that sounds OK. That sounds as though you are not subject to an audit. But then it goes on to say, only from basically an

error in the software provided by the State. In other words, if a mistake is made, a business owner is subject to all of the same things as if their efforts were inside the State of New York, and that means subject to the State organizations inside the government of New York, that means audits, that means fees. It could include court actions.

So we are talking about, as the Senator put it, 9,000 jurisdictions that now can make life completely unmanageable. It would only take 2 or 3 to make it unmanageable, but 9,000 can make it unmanageable for a small business in Oregon.

Now, my colleague from Illinois has said it is OK for small business because we put in an exemption for selling \$1 million online. That is no kind of an exemption at all. Let me explain. Let's say a small business is selling \$1 million online and they have a 5-percent margin. That means they are making \$50,000 a year. After they basically recognize that a person is working for themselves—they have no benefits separate from that—that is a very modest, middle income. That is one person. So this has an exemption for only a business of one—a modestly successful business of one—which means every other business in the State that is engaged online is subject to this provision.

So while others may feel comfortable telling their home State small businesses—and this would include those in the 45 sales tax States—that they are subject to audits and fees and court action from 9,000 other entities, I am certainly not comfortable telling the small businesses of Oregon they are going to be facing this type of incredible bureaucracy created by some of the folks who come to the floor and say they are all about small business.

Now, they want small businesses to be audited and fee'd and asked to turn up in some other State for a hearing. That is an outrageous attack on small business, not to mention our States that do not have a sales tax. It is an outrageous overplay attacking States rights.

Mr. WYDEN. Mr. President, I couldn't say it any better than Senator MERKLEY. I think he has characterized what this legislation is all about better than anybody I have heard on the floor of the Senate.

I have been in this debate for quite a while here. It is about coercion. It is about putting those small businesses Senator MERKLEY is talking about through sort of the equivalent of bureaucratic water torture. I have explained how the text of it in its present form directly violates the prohibition in the Internet Tax Freedom Act of discriminatory taxes.

Again, to the sponsors of the legislation, I wish to repeat that I and Senator MERKLEY and Senator SHAHEEN, Senator AYOTTE, the two Montana Senators—we have put down on paper—on paper, I say to my colleagues—specific offers to try to work this out. Senator

MERKLEY and I understand the votes that have been cast. We can count. That is part of how one gets to be a Senator. But the Senator from Illinois has not responded in writing to any of the offers we made.

We would like to walk through this process and find a way to have some opportunity to tell our constituents—particularly the ones Senator MERKLEY correctly identified as being small and going through all of these bureaucratic water torture drills—that they are going to be able to shape their own future.

Washington has a sales tax. Oregon doesn't. The Senator from Illinois keeps talking about how Oregon is going to be some huge haven if we get an opportunity to initiate a voluntary compact. That hasn't happened today. When we have one State and another that are borders—as my colleagues know, we are very close. We have kept the peace. We can work out these approaches.

To have Senator MERKLEY and I concede on the major point, which is the provision that gives a foreign retailer a leg up in this bill—which I think is a very serious defect, and I think a lot of Senators who vote for this bill, when they see that it is going to be a huge advantage for foreign retailers, they are going to have some real misgivings about that—we gave that up for purposes of this. We have made concessions. We can't even get an offer in writing about something to negotiate that would incorporate a way to protect our States from the kinds of features Senator MERKLEY has correctly described.

I especially appreciate him going through the specifics, as he always does. Senator MERKLEY cited the fact that this legislation has a provision to basically compensate people for errors, which suggests to me that they think there are going to be a bunch of errors and the reason they think so is because they are right, as my friend from Wyoming knows, because they sought in the effort to try to sort this out during the streamlined sales tax discussions that have gone on for so many years.

I wish to yield to Senator MERKLEY for the last word. It is a pleasure to partner with Senator MERKLEY on so many issues, and he has described it today as well as anyone has in this discussion. I thank Senator MERKLEY for all of his leadership, and I yield to him for closing it up, as our small businesses in Oregon, such as the Oregon Association of Nurserymen, have been talking to us about.

Mr. MERKLEY. I thank my senior Senator for his championing and his leadership and his longtime defense of the Internet as a place of fair transactions for small businesses and large, as a tax-free zone. I hope this Chamber is not engaging in a course that is going to change that dramatically, as it seems so intent on doing at this moment.

I am very struck by the correct point my colleague made about foreign companies. Here we have a company in Canada that is not subject to this bill. We have a company in Mexico that is not subject to this bill. For that matter, we have a company in Nigeria or anywhere else in the world not subject to this bill. So when American businesses say we should maintain a level playing field to keep business in America, allow us to play on a level playing field, they are certainly hoping we won't pass something such as this that gives such an enormous advantage to other nations.

I must say that constituents have been weighing in on this issue. I don't think it would surprise anyone to know that they don't like it. Ninety-eight percent are writing in to us to say: We don't like it. We don't like the idea of other States auditing our businesses. We don't like being asked to be a tax collection agency for another State.

Oregon is not asking anyone else to do that unless they have a State-to-State compact, which is exactly the way this could have been done and should have been done but hasn't been done because the States couldn't agree, even though they were sales tax States. That tells us quite a lot.

They don't like the idea of being subject to bureaucrats or the potential for legal action where they might have to travel to another State, and they don't like the idea that there is absolutely no compensation for the enormous imposition this bill places on the small businesses of Oregon. That is quite a lot not to like. So, of course, it is 98 percent against this bill.

I thought I would read one such letter:

Please do not support the Marketplace Fairness Act. It is not fair to businesses like mine that other States could tax my Oregon-based company. The voters of Oregon have continually voted down sales taxes as a method of collecting revenue within our State. It should not be imposed on us by other States. If these States have problems with their collection, they should figure it out with the help of their local populace . . .

My company is an Internet retailer and we are able to compete and create jobs on a level playing field.

The dynamics of this fight will have consequences for mid-sized retailers like mine, especially companies based in Oregon. Big retailers are fighting to limit our ability to compete with them. Their goals are to have local footprints and employees across the country in major metropolitan markets. They should pay those local taxes and fees where they are a burden. Companies like mine, that have not chosen to be in that model, should not.

Please continue to support the Internet's free market. Please protect Oregon business and maybe even create some new opportunities.

That is what we should be doing in the U.S. Senate—creating new opportunities for Oregon small businesses to succeed in this tough economy. That is what this business owner in Oregon believes, and I will repeat that sentence since the writer made that point: That is what we should be doing in the U.S.

Senate—creating new opportunities for Oregon small businesses to succeed in this tough economy. But that is the opposite of what we are doing here. Maybe that is why Oregonians are overwhelmingly opposed to this bill.

I think it is clear that there are some ideas for which, if someone passionately believes in them, they are willing to try them out, they are willing to develop a pilot project before they impose it on the entire Nation.

Certainly out of the 45 States, since so many have come to the floor representing their States passionately, saying this should be done, why don't they have a pilot project among their States and demonstrate that this is not going to be a burden in which there are audits and fees and court appearances and phone calls from the some 9,600 jurisdictions my senior colleague has pointed out? Why don't they demonstrate that first before they decide to run an attack on the success of small businesses in the State of Oregon and, for that matter, across this Nation? How about that? That is a fair proposal. Run a pilot project.

If you love this idea so much, do it among yourselves and demonstrate it and bring the report back to this Chamber for further conversation. But the idea of coercing my citizens of the State of Oregon to do your work, with enormous imposition and uncertainty, when they are trying to succeed as small businesses—and when small businesses are the power of creating jobs in this country—that is wrong.

So for those who speak about the heavy hand of government, those who speak about the power of small businesses, those who speak about bureaucracy and imposition, then live your words in action and kill this vicious attack on small businesses across this Nation.

Thank you, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. DURBIN. Mr. President, I understand the passion of my colleagues from Oregon. Oregon is one of five States with no sales tax. I know they have voted down a sales tax by statewide referendum repeatedly, by margins of 2 to 1, I am told. So it is clear they have a passionate feeling about no sales tax in Oregon.

Here is the good news. The bill Senator ENZI and I have introduced and want to pass in the Senate will not impose one penny of sales tax obligation on anyone living in Oregon. Whether they are purchasing over the counter or they are purchasing over the Internet—not one penny of sales tax liability. Their States rights are protected. Their passion against sales tax is honored. And the same is true in Alaska, Montana, New Hampshire, and Delaware—all the other no-sales-tax States.

But this is what it really gets down to. This is not about the people in Oregon paying a sales tax. It is about the businesses—the Internet businesses in Oregon that want to sell into other

States and not collect the sales tax owed to that State. That is it. We are not forcing them to sell in Illinois or Wyoming. That is a business decision they are making. We are just saying: If you sell, collect the sales tax required by Illinois law, Wyoming law, Connecticut law. That is what it comes down to.

Why is it important? It is important because businesses in our State—small businesses—are competing with Internet retailers that get an automatic discount when they do not collect the sales tax.

I listened to the explanation given by one of my friends from Oregon here, and he said that I am defying the natural forces of the free market system, where good-quality goods are chosen over lower quality goods. Well, I cannot argue about the pine trees that are grown in Oregon because I do not know if they are better than the pine trees grown in Washington or some other place. But we are dealing in many instances here with identical goods—the Nike running shoes that you can buy at Chris Koos' sporting goods store in Normal, IL, or buy over the Internet with no sales tax. It is not a question of good quality versus bad quality; it is a question of sales tax or no sales tax.

So what the Oregonians have suggested to us is what they consider to be a perfect solution: Remove any requirement for their Internet retailers to collect sales tax from anybody. Therefore, there would be no Federal mandate.

Well, let me remind them, there is no Federal tax in this bill. There is no new tax in this bill—State, local, or Federal. All we are asking for is the basics. If Oregonians want to sell in an adjoining State such as California, they will collect the sales tax owed to California and pay it back.

Then I listened to them describe how onerous this would be. Right now, eBay, which is no friend of this bill, offers a service available to businesses that they can buy that will tell them the exact sales tax to be collected based on your ZIP Code and address, and that service costs—listen to this onerous cost—\$15 a month. It is \$15 a month. If you want to go to the highest Cadillac version, it is \$140 a month—less than \$2,000 a year.

Incidentally, in our bill we require the States that are asking for the collection of sales tax to provide, free of charge, software to every Internet retailer so they can collect this without any expense to their business.

This is not onerous. It is not unfair. It is just basic leveling of the playing field.

I want to yield the floor to my friend from Wyoming, my cosponsor of this measure.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

Mr. ENZI. Mr. President, Senator BROWN was here earlier, and I had wanted to be able to speak briefly. So if, when I finish my remarks, he is here, I ask unanimous consent that he be recognized to speak.

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

Mr. ENZI. I want to talk about what we have just heard here and an implication that we are not champions of small business.

I was in small business. I had shoestores, retail shoestores, so that is why I know some of these problems. I know about the people coming in, trying on the shoes, getting exactly what fits, having all of the service of looking through all of the styles and that sort of thing, and then leaving and making a purchase on the Internet.

Talking to other retailers now, that is not the biggest irritation. They buy it on the Internet, the product has a problem—and every product has the potential of having some problem—and they bring it back to the store where they got the free service, where they did not buy the shoe, and they ask for it to be replaced. I hope people can see the inequity in that.

But we are not talking about the small business like the shoestore I had. We are talking about small businesses that are selling online and are doing over \$1 million a year in sales. I do not think people would consider that to be a really small business—\$1 million in sales. If they are doing \$1 million in sales, you can pretty much guarantee that they are automated. They are automated in their manufacturing, they are automated in their sales. That means they have a computer. Not many businesses today function without a computer. If they have a computer, you would be amazed at some of the things those computers will do.

I go back to Wyoming almost every weekend, and I visit businesses. I visit businesses so they can tell me what kinds of problems the Federal Government is causing for them. I am amazed at the automation they have. I am amazed at what they are able to do. And most of it is because of computers. Now we are saying—and I think computers kind of started out on that coast—that computers just do not have the capability to do these kinds of things. To be able to figure a sales tax? All you have to have is a ZIP Code, and it eliminates the 9,600 jurisdictions we are talking about here. That computer can figure that sales tax, and at the end of the month, that same computer will have kept track of all of this stuff, and it will do the reports that are necessary electronically. It can probably do that with about five or six key taps, maybe less than that. I am sure they could actually be set to send the report on the last day of the month at a specific hour. That is how computers work.

So an argument that this cannot be done—I do not think anybody will buy that. And the States would not be willing to provide those programs free of charge and then put in the protections from liabilities and errors if they were not sure they could do it. The reason they put in those protections for the

retailer is because they are sure it can be done.

I was fascinated by the audits. If they are using that computer program, how could they vary from what they actually take in to actually sell? The program takes it in, the program holds it, and the program sends it out with the report. There is not a lot of room for error.

Then they say they are going to be running around auditing those firms. They are going to audit the firm that looks as if it is shipping everything everywhere and not reporting at all. That is what accountants do. They figure out the high risk. They are not going to go in and look for pennies here and there. They go in and look for enough to at least cover the cost of the audit. If you are not doing probably 10 or 20 times the value of the audit, you are not going to be hired to do many of them.

So those that are complying, using the program, they are not going to have any problem.

But this exempts all the businesses that are doing less than \$1 million online in a given year. Until you do \$1 million online in a given year, you are exempt from it.

I would imagine that a lot of those nurseries do not hit the million-dollar mark. They would like to hit the million-dollar mark, and I would like them to hit the million-dollar mark, and if they got to that million-dollar mark, I think they would be so overjoyed, they would say: I am automating on the computer. I will be happy to do it because maybe I can sell \$2 million worth of sales if that is the case.

Now, comments on the streamlined sales tax. My State was one of the first ones to get into it. So was South Dakota, so were Nebraska and another 20, 21 States besides those. The comment was that you cannot streamline this. What kind of incentive has there been for them to streamline it more? The purpose of the compact is to streamline it more, but at the moment they are having to protect their sales within their State to make sure they are not losing the revenues they were already counting on.

They knew there was this little Supreme Court case that is now 20 years old that challenged us to fix it. That is what we are trying to do here—fix it. If that fix goes in, I am betting that a lot more States will join the streamlined sales tax and it will streamline more than what we envisioned. But even if they do not, there are requirements in here that keep it uniform enough. And with the computers, we can show examples of how people already do this sort of thing on the computer. That should take care of a lot of their problems.

I yield the floor under the previous order for Senator BROWN.

The ACTING PRESIDENT pro tempore. The Senator from Ohio.

Mr. BROWN. Mr. President, I thank Senator ENZI, the senior Senator from

Wyoming, for his good work on this legislation and for his always courteous demeanor.

Mr. President, I ask unanimous consent to speak as in morning business for up to 8 minutes.

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

#### WORKING FAMILIES TAX RELIEF ACT

Mr. BROWN. Mr. President, this week Senator DURBIN and I are introducing the Working Families Tax Relief Act with a majority of my Democratic colleagues on the Senate Finance Committee.

For a number of years, one area of bipartisan agreement in Washington has been on the need for comprehensive tax reform. Tax reform can clear the Code of wasteful carve-outs and special interest loopholes.

Senator ENZI was part of a bipartisan meeting that the Finance Committee is wont to do, sitting around a table talking about these issues, just last week.

We understand that comprehensive tax reform can place American companies on an even footing with foreign competitors. It can reduce the deficit. It can provide a shot in the arm to economic competitiveness and growth. On that there is agreement.

What comprehensive reform should not do—and there is general agreement on this also—is undermine the earned-income tax credit and the child tax credit. These credits are the single most effective incentive to increase low-income parents participating in the workforce and reward work and promote family formation—all goals which we, I believe, all seek. That is why support for these programs in the past has been broad-based and bipartisan.

President Reagan and former Representative Jack Kemp—the former running mate of Senator Dole in a Presidential election—were champions of the modern earned-income tax credit. When it was expanded in 1986, President Reagan said it is “the best anti-poverty, the best pro-family, the best job creation measure to come out of Congress.” He was right.

In Ohio some 1 million households received the EITC—the earned-income tax credit—and 665,000 households received the CTC—the child tax credit—on average in the 3 years of 2009, 2010, and 2011.

That is why this week Senator DURBIN and I, along with most of our Democratic colleagues, are introducing the Working Families Tax Relief Act. Our bill would make permanent the 2009 levels for the earned-income tax credit and the child tax credit. It would index the child tax credit for inflation. It would allow workers without children to access the full earned-income tax credit. It would reduce the full earned-income tax credit access age to 21. It would simplify the filing process to reduce fraud because there is some acknowledged fraud in this program, as

there is throughout the tax system. And I have pledged to many of my colleagues on both sides of the aisle, as this bill moves forward, to work to reduce that fraud.

The Recovery Act of 4 years ago expanded access and refundability for both the EITC and CTC. It was meant to respond to the great recession but also to ensure the country's finest antipoverty programs keep up with the times. Making these credits permanent at the current level is critical to fighting poverty.

In 2011, the EITC and CTC lifted 10 million people, including 5 million children, out of poverty. The EITC has helped nearly half a million single mothers enter the workforce. These credits do not just reward work, they provide lifelong benefits to children. We know from studies that it improves health outcomes, it increases earning potential for children in low-income families, because those families pulled out of poverty can give advantages to those children that pay off later in life they could not give to those children in those families if their incomes were below the poverty line.

Expectant mothers who receive the EITC are more likely to receive prenatal care. These are not opinions; they are fact. Newborns are more likely to experience birth indicators, such as low weight and premature birth. Behind all of these statistics are real people, people whose lives and opportunities are improved because of these credits.

Let me share a story. Michelle Eddy, a Cleveland native, is a single mother who works hard to support her two daughters. One is 9, the younger is 4. This year the Neighborhood Housing Services of Greater Cleveland helped Ms. Eddy prepare her tax return. She was able to use the credits she received from Earned Income Tax Credit and Child Tax Credit to pay for school supplies, uniforms, and daycare for her two daughters.

She has worked in a retail store as a shift manager for 5 years. She recently, though, started a new job as a restaurant server so she can spend evenings and weekends with her daughters. Without EITC, without CTC, she would almost certainly have to work a second job to make ends meet, leaving her children at home without her far too often. The EITC and the CTC are not what make Michele Eddy a good mother, but they enable her to be there with her children when they need her most.

Right now, some 30 percent of children under the age of 3 are in families with too little earnings to qualify for full CTC. Even worse, nearly 13 percent of children under 3 are in families with no earnings, and as such get into CTC or EITC. We know the Child Tax Credit is not indexed for inflation. By the end of the decade another 1 million children will be forced to grow up in poverty.

The CTC needs to be more robust. We need to reform the Tax Code now. I am

very hopeful that Senator BAUCUS in his last year and a half in the Senate, with Ranking Member HATCH and leaders from that committee such as Senator WYDEN and Senator ENZI and others, can reform the Tax Code, can put measures in place to prevent fraud.

As we introduce the Working Families Tax Relief Act, I remain hopeful our colleagues across the aisle will work with us to make these credits a part of tax reform.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I have enjoyed the discussion on the Marketplace Fairness Act. It is nice to have a good debate and I am looking forward to voting on amendments that are here.

I wish to address two or three points that have been made during the debate. The first is about what we call here regular order. What we mean by that is that the bill was introduced, it goes to a committee, and the committee reports it to the floor, and we bring it up on the floor, and we have a debate and then we vote on it. We want to see more of that around here.

Well, the problem with this bill is that the Finance Committee would not act on it. Let's be straightforward about it. This bill has been around a long time. The Finance Committee chairman is the only one who can schedule a hearing and cause it to be acted on. He did not want to do that, despite the fact that we asked him to do it. So as a result, the majority leader used a procedure that brings the bill to the floor.

To underscore that, let me ask unanimous consent to have printed in the RECORD a timeline for the Marketplace Fairness Act. It details the steps we have taken since 2001.

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

#### MARKETPLACE FAIRNESS TIMELINE

##### 107TH CONGRESS (2001–2002)

S. 512, Internet Tax Moratorium and Equity Act, Senator Byron Dorgan—introduced 3/9/2001, Referred to: Senate Finance, Finance Committee hearing—8/1/2001.

S. 1542, Internet Tax Moratorium and Equity Act, Senator Michael Enzi—introduced 10/11/2001, Referred to: Senate Commerce.

S. 1567, Internet Tax Moratorium and Equity Act, Senator Michael Enzi—introduced 10/18/2001, Referred to: Senate Commerce.

Senate Amdt. #2156 to H.R. 1552, Motion to table amendment was agreed to—57 to 43 on 11/15/2001.

##### 108TH CONGRESS (2003–2004)

S. 1736, Streamlined Sales and Use Tax Act, Senator Michael Enzi—introduced 10/15/2003, Referred to: Senate Finance.

##### 109TH CONGRESS (2005–2006)

S. 2152, Sales Tax Fairness and Simplification Act, Senator Michael Enzi—introduced 12/20/2005, Referred to: Senate Finance.

S. 2153, Streamlined Sales Tax Simplification Act, Senator Byron Dorgan—introduced 12/20/2005, Referred to: Senate Finance.

Senate Finance Subcommittee on International Trade hearing on sales tax fairness and other state/local tax issues—7/25/2006.

##### 110TH CONGRESS (2007–2008)

S. 34, Sales Tax Fairness and Simplification Act, Senator Michael Enzi—introduced 5/22/2007, Referred to: Senate Finance.

Senate Commerce Committee hearing on "Communications, Federalism, and Taxation" where it was discussed—5/23/2007.

##### 111TH CONGRESS (2009–2010)

No bill introduced.

##### 112TH CONGRESS (2011–2012)

S. 1452, the Main Street Fairness Act, Senator Dick Durbin—introduced 7/29/2011, Referred to: Senate Finance.

S. 1832, the Marketplace Fairness Act, Senator Michael Enzi—introduced 11/9/2011, Referred to: Senate Finance.

11/30/2011—House Judiciary Committee hearing on "Constitutional Limitations on States' Authority to Collect Sales Taxes in E-Commerce."

1/31/2012—Official letter signed by 12 bipartisan Senators requesting Finance Committee hearing on S. 1832.

2/1/2012—Letter sent by 208 national, state and local organizations and companies requesting a hearing on S. 1832, the Marketplace Fairness Act.

4/25/2012—Senate Finance Committee hearing on state and local tax issues, including S. 1832, the Marketplace Fairness Act.

7/11/2012—S. Amdt. 2495, the Marketplace Fairness Act, filed to the Small Business Jobs and Tax Relief Act.

7/25/2012—Official letter signed by 16 bipartisan Senators requesting a Finance Committee markup on S. 1832, the Marketplace Fairness Act.

7/24/2012—House Judiciary Committee hearing on H.R. 3189, the Marketplace Fairness Equity Act of 2011.

8/1/2012—Senate Commerce Committee hearing on "Marketplace Fairness: Leveling the Playing Field for Small Business."

11/29/2012—S. Amdt. 3223, the Marketplace Fairness Act, filed to the National Defense Authorizations Act. Amendment was blocked from getting a vote.

##### 113TH CONGRESS (2013–2014)

S. 336, The Marketplace Fairness Act, Senator Michael Enzi—introduced 2/14/2013, Referred to: Senate Finance.

2/14/2013—Official letter signed by 16 bipartisan Senators requesting Finance Committee hearing on S. 336, the Marketplace Fairness Act.

3/21/2013—S. Amdt. 578 (Enzi 2nd Degree S. Amdt. #656)—Deficit Neutral Reserve Fund enabling Congress to pass the Marketplace Fairness Act. Senate Record Vote #62—Enzi Amendment agreed to 75 to 24.

Mr. ALEXANDER. To summarize some of these steps, this began in the 107th Congress in 2001. Now Senator ENZI started even before that, I think, with Senator Dorgan. They introduced the Internet Tax Moratorium and Equity Act in 2000 and 2001. Then in 2003, the Streamlined Sales and Use Tax Act was introduced by Senator ENZI. That is 10 years ago.

Then again in 2005 and 2006 Senator ENZI and Senator Dorgan. Then again in 2007 and 2008, Senator ENZI. In the 111th Congress no bill was introduced. But now we are getting to a little more recent history. Last Congress, 2011 and 2012, Senator DURBIN introduced the Main Street Fairness Act. Senator ENZI joined him in that. It was referred to the Senate Finance Committee.

So for all of that time, the Finance Committee has had an opportunity to work on this legislation in the way

they thought it should be. There were hearings in the Senate Commerce Committee in August of 2012 on essentially the same 11-page bill that has been introduced here today and that we are acting on.

There was a partial hearing in the Senate Finance Committee during that year. But that was all. Then, in this year, in February, on Valentine's Day, Senator ENZI introduced the Marketplace Fairness Act we are debating here, this 11-page bill. There was a letter from 16 Senators, Republicans and Democrats, asking the Finance Committee to hold a hearing and to deal with it. But it has not.

I respect the decision of the chairman to be opposed to the bill and not to hold a hearing and not to report the bill to the floor. But if he does that, then I would suggest he should respect the right of the majority leader to bring the bill to the floor and allow the Senate to debate it.

As far as the regular order goes, a week should be long enough to consider this bill, which has been in one form or another around since 2001. We could have begun debating amendments on Monday. That is when the bill came to the floor. But the opponents filibustered it. This was not a Republican or a Democratic filibuster, it was both sides, from opponents. And what that deprived us of was an opportunity to vote and debate amendments on Monday and Tuesday.

Then we had another vote. So we have now had three votes, one during the budget session, one on cloture on the motion to proceed, and then one on the motion to proceed itself. We have gotten 74, 75 votes each time. It is a majority of the Democratic Senators, it is a majority of the Republican Senators. This does not happen all the time, that we have such strong majorities on each side of the aisle, saying in three successive votes of 74 and 75 votes: We favor an important piece of legislation.

I would hope the better course would be to come to some agreement that we can take the amendments we have here from Democrats and from Republicans, bring them up, table them, vote on them, debate them, and act on this and bring this to a conclusion this week.

Then there is substantial support in the House of Representatives for this. The bill could then go to the House. The House could do whatever the House wishes. There could be a conference and we could get a result. Every attempt has been made by the sponsors of this legislation since 2001 to bring this through the regular order, which means take it through the committee. The opponents of the idea have chosen first in the Finance Committee to not allow there to be a markup of the bill, and then on the floor to not allow us to debate amendments.

For example, some people say this legislation taxes the Internet. Of course, that is 100 percent wrong, because there is a Federal law banning

State taxation of the Internet. Senator PRYOR of Arkansas sought to extend that ban for 10 more years today. The opponents of the bill objected even to a vote on taxing the Internet. This is very disappointing. That is the information about the timeline I wanted to put in.

Here is some more information that I ask unanimous consent to have printed in the RECORD at this point.

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

U.S. SENATE,

Washington, DC, February 14, 2013.

Hon. MAX BAUCUS,

Chairman, Committee on Finance, Dirksen Senate Office Building, Washington, DC.

Hon. ORRIN HATCH,

Ranking Member, Committee on Finance, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN BAUCUS AND RANKING MEMBER HATCH: We urge the Finance Committee to markup the Marketplace Fairness Act of 2013 at the earliest date possible. This bipartisan legislation would allow States to collect the sales and use taxes on remote sales that are already owed under State law.

Since the 1992 Supreme Court decision, *Quill Corporation v. North Dakota*, States have been unable to collect the sales and use taxes owed on sales by out-of-state catalog and online sellers. Congress has been debating solutions to assist States for more than a decade, and some States have been forced to take action on their own, leading to greater confusion and further distorting the marketplace.

Today, 18 bipartisan Senators introduced the Marketplace Fairness Act of 2013, which would give States the right to decide for themselves whether to collect—or not to collect—sales and use taxes on all remote sales. Congressional action is necessary because the ruling stated that the thousands of different state and local sales tax rules are too complicated and onerous to require businesses to collect sales taxes unless they have a physical presence (store, warehouse, etc.) in the state.

Today, if an out-of-state retailer refuses to collect sales and use taxes, the burden is on the consumer to report the tax on an annual income tax return or a separate state tax form. However, most consumers are unaware of this legal requirement and very few comply with the law. Across the country, states and local governments are losing billions in tax revenue that is legally owed. On average, States depend on sales and use taxes for 20 percent of their annual revenue. According to the National Conference of State Legislatures, this sales tax loophole will cost states and local governments over \$23 billion in avoided taxes this year alone. At a time when State budgets are under increasing pressure, Congress should give States the ability to ensure compliance with their own laws.

The *Quill* decision also put millions of local retailers at a competitive disadvantage by exempting remote retailers from tax collection responsibility. The “physical presence” standard means that local retailers in our communities are required to collect sales taxes, while online and catalog retailers selling in the same state are not required to collect any of these taxes. In effect, this tax loophole subsidizes some taxpayers at the expense of others and some businesses over others.

State and local governments, retailers, and taxation experts from across the country are urging Congress to pass the Marketplace

Fairness Act of 2013 because it gives states the right to decide what works best for their local governments, residents, and businesses. Given the fiscal constraints all levels of government are facing, we should allow states to enforce their own tax laws.

The Finance Committee held a hearing last Congress titled, “Tax Reform: What It Means for State and Local Tax and Fiscal Policy,” on April 25, 2012, which highlighted the growing demand to close this particular loophole. Two witnesses, Kim Rueben and Sanford Zinman, expressed the need for better federal policies to allow the collection of sales and use taxes from online sales. In fact, Dr. Rueben called passing legislation similar to the Marketplace Fairness Act of 2013 a “no-brainer.” We appreciate your willingness to address this issue and would request an additional forum to further discuss the impacts of this legislation on the U.S. economy.

The Finance Committee is in the best position to address the collection of sales and use taxes on remote sales. We urge the Committee to hold a markup on the Marketplace Fairness Act of 2013 at the earliest date possible. Thank you, in advance, for your consideration of this request.

Sincerely,

Senator Michael B. Enzi; Senator Dick Durbin; Senator Lamar Alexander; Senator Heidi Heitkamp; Senator John Boozman; Senator Tim Johnson; Senator Roy Blunt; Senator Jack Reed; Senator Bob Corker; Senator Sheldon Whitehouse; Senator Amy Klobucher; Senator Al Franken; Senator Ben Cardin; Senator Dianne Feinstein; Senator Mary Landrieu; Senator Joe Manchin.

U.S. SENATE,

Washington, DC, January 31, 2012.

Hon. MAX BAUCUS,

Chairman, Committee on Finance, Dirksen Senate Office Building, Washington, DC.

Hon. ORRIN HATCH,

Ranking Member, Committee on Finance, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN BAUCUS AND RANKING MEMBER HATCH: We urge the Finance Committee to hold a hearing on The Marketplace Fairness Act (S. 1832), bipartisan legislation to allow States to collect sales and use taxes on remote sales that are already owed under State law. For the past 20 years, States have been prohibited from enforcing their own sales and use tax laws on sales by out-of-state, catalog and online sellers due to the 1992 Supreme Court decision *Quill Corporation v. North Dakota*. Congress has been debating solutions for more than a decade, and some States have been forced to take action on their own leading to greater confusion and further distorting the marketplace.

On November 9, 2011, five Democrats and five Republicans introduced The Marketplace Fairness Act, which would give states the right to decide for themselves whether to collect—or not to collect—sales and use taxes on all remote sales. Congressional action is necessary because the ruling stated that the thousands of different state and local sales tax rules were too complicated and onerous to require businesses to collect sales taxes unless they have a physical presence in the state.

Today, if an out-of-state retailer refuses to collect sales and use taxes, the burden is on the consumer to report the tax on an annual income tax return or a separate state tax form. However, most consumers are unaware of this legal requirement and very few comply with the law. Consumers can be audited and charged with penalties for failing to pay sales and use taxes.

Across the country, states and local governments are losing billions in tax revenue already owed. On average, States depend on sales and use taxes for 20% of their annual revenue. According to the National Conference of State Legislatures, this sales tax loophole will cost states and local governments \$23 billion in avoided taxes this year alone. At a time when State budgets are under increasing pressure, Congress should give States the ability to enforce their own laws.

The Quill decision also put millions of local retailers at a competitive disadvantage by exempting remote retailers from tax collection responsibility. Local retailers in our communities are required to collect sales taxes, while online and catalog retailers selling in the same state are not required to collect any of these taxes. This creates a tax loophole that subsidizes some taxpayers at the expense of others and some businesses over others.

State and local governments, retailers, and taxation experts from across the country are urging Congress to pass The Marketplace Fairness Act because it gives states the right to decide what works best for their local governments, residents, and businesses. Given our fiscal constraints, we should allow states to enforce their own tax laws and make sure that state and local governments and businesses are not left behind in tax reform discussions. The House Judiciary Committee's hearing on this single issue on November 30, 2011, demonstrated the growing demand to close this loophole, and your committee would provide the best public forum for an open debate in the Senate on the merits of this important policy issue.

The Finance Committee is in the best position to shape the discussion on state and local taxation this year, particularly on sales and use taxes on remote sales. We urge the Committee to hold a hearing on the implications of The Marketplace Fairness Act at the earliest date possible. Thank you in advance for your consideration of this request.

Sincerely,

Michael B. Enzi, Lamar Alexander; John Boozman; Roy Blunt; Bob Corker; Jeff Bingaman; Richard Durbin; Tim Johnson; Jack Reed; Sheldon Whitehouse; Mark Pryor; Ben Cardin.

Mr. ALEXANDER. These are letters from Senators to the leaders of the Finance Committee. The first letter is dated January 31, 2012, last year, at the beginning of the year. It was from five Democrats and five Republicans who introduced the Marketplace Fairness Act. It asks for a hearing, asks for the committee to act. That is the first letter.

The next letter came this year, on February 14, from 16 Senators, both parties, to the Finance Committee, asking the Finance Committee to act on the Marketplace Fairness Act.

Then there is a letter to the leaders of the Finance Committee from the National Governors Association, signed by the Democratic Governor of Washington and the Republican Governor of Tennessee, asking the Finance Committee, on behalf of the States, to consider this legislation and act on it. The Finance Committee elected not to do that.

This information will be part of the RECORD.

Finally, there is also a letter dated April 22 of this year from the National

Governors Association urging Senators REID and MCCONNELL to pass this legislation. I ask unanimous consent that it be printed in the RECORD.

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

NATIONAL GOVERNORS  
ASSOCIATION,  
Washington, DC, December 11, 2012.

Hon. MAX BAUCUS,  
Chairman, Committee on Finance, U.S. Senate,  
Washington, DC.

Hon. ORRIN HATCH,  
Ranking Member, Committee on Finance, U.S.  
Senate, Washington, DC.

DEAR CHAIRMAN BAUCUS AND SENATOR HATCH: Never before has the need for legislation to grant states the authority to collect sales taxes on remote sales been greater. The continued disparity between online retailers and Main Street businesses is shuttering stores and undermining state budgets. Congress has the opportunity to level the playing field for all retailers this year by passing S. 1832, the "Marketplace Fairness Act."

Years ago, the Supreme Court ruled that state sales tax laws were too complex to require out-of-state sellers to collect sales taxes on catalog sales. As a result, states are unable to collect more than \$23 billion in sales taxes owed annually from remote sales made through catalogs over the Internet. It also creates an artificial price disparity between goods bought from the corner store and those bought online. It is in essence an unwarranted yet growing subsidy to Internet sellers at the expense of brick and mortar stores.

Failure to act now will only exacerbate state losses and harm local businesses that are losing sales to online sellers. According to a leading Internet analytics firm, 2012 holiday online sales are up 14 percent from last year. (Wall Street Journal, Real-Time Economics, Dec. 5, 2012.) Cyber Monday was the heaviest online spending day on record at \$1.47 billion. The firm attributes the growth to broad strength in the e-commerce sector and the fact that more than half of those who use the Internet have already made an online purchase this holiday season.

The Marketplace Fairness Act restores fairness by providing states the authority to collect if they are willing to simplify their tax systems to make it easier to do business. It also provides protection to truly small businesses in your state through a small business exception. This common sense approach will allow states to collect taxes they are owed, help businesses comply with different state laws, and provide fair competition between retailers that will benefit consumers and protect jobs. Furthermore, passage of the bill will serve as the equivalent of a \$23 billion stimulus to state and local governments helping to speed recovery and grow the economy.

Best of all, the Marketplace Fairness Act will accomplish these goals without raising taxes or increasing the federal debt.

We understand that you would prefer to take up the Marketplace Fairness Act next year in the context of wide-ranging, comprehensive tax reform. Frankly, our Main Street businesses and states cannot afford to wait. This is our best chance to pass this important legislation and we urge your support for enacting S. 1832 this year.

Sincerely,

GOVERNOR CHRIS GREGOIRE,  
Washington.

GOVERNOR BILL HASLAM,  
Tennessee.

NATIONAL GOVERNORS  
ASSOCIATION,  
Washington, DC, April 22, 2013.

Hon. HARRY REID,  
Majority Leader, U.S. Senate,  
Washington, DC.

Hon. MITCH MCCONNELL  
Majority Leader, U.S. Senate,  
Washington, DC.

DEAR SENATOR REID AND SENATOR MCCONNELL: On behalf of the National Governors Association (NGA), we urge the Senate to pass S. 743, known as the Marketplace Fairness Act (MFA), as soon as possible.

Just last month, during Senate consideration of its FY14 budget resolution, the Senate voted 75-24, in support of the MFA. This overwhelming, bipartisan vote stands in stark contrast to those who oppose this common-sense legislation.

Never before has the need for legislation to grant states the authority to collect sales taxes on remote sales been greater. The continued disparity between online retailers and Main Street businesses is shuttering stores and undermining state budgets. The Senate has the opportunity now to level the playing field with 21st Century rules for all retailers.

Opponents call this legislation a new tax. Of course, this is not a new tax, nor is it a tax on the Internet or on business. It is merely a means of collecting taxes owed on the sale of goods and services over the Internet.

From the viewpoint of the states, if a company is doing business, selling goods and soliciting customers in their state, that company should have to play by that state's rules. If a state has a sales tax on specific goods, then everybody selling those goods there should have to collect and remit it. This philosophy is not only fair, it also promotes competition, which is good for consumers, good for tax equity, and good for business by leveling the playing field and creating certainty—all accomplished without affecting the federal budget.

NGA urges the Senate to take decisive bipartisan action and pass S. 743.

Sincerely,

GOVERNOR TOM CORBETT,  
Chair, Economic Development and Commerce Committee.

GOVERNOR STEVEN  
BESHEAR,  
Vice Chair, Economic Development and Commerce Committee.

Mr. ALEXANDER. Now, finally, I ask unanimous consent to have printed in the RECORD the names of the Governors and former Governors who support this legislation.

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

Robert Bentley, R-Alabama; Bob McDonnell, R-Virginia; Chris Christie, R-New Jersey; Nikki Haley, R-South Carolina; Brain Sandoval, R-Nevada; Terry Branstad, R-Iowa; Dennis Daugaard, R-South Dakota; Paul LePage, R-Maine; Tom Corbett, R-Pennsylvania; Mike Pence, R-Indiana; Bill Haslam, R-Tennessee; Rick Snyder, R-Michigan; C.L. "Butch" Otter, R-Idaho; Jan Brewer, R-Arizona; Bobby Jindal, R-Louisiana; Rick Scott, R-Florida; Nathan Deal, R-Georgia.

Lincoln Chafee, I-Rhode Island.

Steven Beshear, D-Kentucky; Neil Ambercrombie, D-Hawaii; Mike Bebee, D-Arkansas; Jerry Brown, D-California; Mark Dayton, D-Minnesota; John Hickenlooper, D-Colorado; Martin O'Malley, D-Maryland;

Dannell Malloy, D-Connecticut; Jay Nixon, D-Missouri; Deval Patrick, D-Massachusetts; Patt Quinn, D-Illinois; Earl Ray Tomblin, D-West Virginia.

FORMER GOVERNORS—

Mitch Daniles, R-Indiana; Jeb Bush, R-Florida; Christine Gregoire, D-Washington.

Mr. ALEXANDER. I do that with a little bit of obvious bias as a former Governor. I think it is important that the country know what the Governors think, because the legislation we are talking about today is a States rights bill. It is an 11-page bill. It is a very simple, straightforward bill. It simply says that Tennessee, Alabama, Virginia, New Jersey, any State, has the right to decide for itself whether it wants to collect taxes that are already owed from some of the people who owe the taxes or all of the people who owe the taxes. That is it. That is it. That is all it does.

The Governors who supported it are the Governor of Alabama, Virginia, New Jersey, South Carolina, Nevada, Iowa, South Dakota, Maine, Pennsylvania, Indiana, Tennessee, Michigan, Governor Otter of Idaho, Arizona, Louisiana, Florida, Georgia, Rhode Island, Kentucky, Hawaii.

I just read a bunch of Republican Governors. Now I am into the Democrats: Kentucky, Hawaii, Arkansas, California, Minnesota, Colorado, Maryland, Connecticut, Missouri, Massachusetts, Illinois and West Virginia. The former Governors include Mitch Daniels, Jeb Bush, and the former Democratic Governor of Washington.

Here we have a bill on the floor that we have voted on three times already that has a majority of the Democratic Senators and a majority of the Republican Senators, and 75 votes three times—74 one time, 75 twice. The bill also has the support of a long list of Republican Governors—actually more Republican than Democratic Governors. Yet we have got some people in Washington who say, we do not trust the States to make these decisions. I wonder if these people have ever read the Constitution of the United States? I wonder if they know what the 10th Amendment says? This was a very important part of the creation of this country.

Sovereign States had reserved to them their powers. They didn't expect to come to Washington and play "Mother May I" to a bunch of Senators and Congressmen who fly here on airplanes and think they are smarter than they were when they left Nashville, Memphis or wherever their hometown is. The purpose of this bill is to leave within the States the responsibility for making decisions.

Some people up here think they know best. Maybe they do, maybe they don't. Tennessee doesn't have an income tax. I would like for every State not to have an income tax, but I am not going to impose that from Washington just because I am a Senator.

Tennessee has a right-to-work law. I would like for every State to have a

right-to-work law, but I am not going to impose that from Washington. States have the right to be right, States have the right to be wrong, and Washington has no business telling sovereign States what its tax structure ought to be. Washington certainly has no business standing in the way of States stopping discrimination against taxpayers and businesses because that is exactly what we are doing if we don't act.

We are perpetuating discrimination. Most conservatives I know don't like picking and choosing between winners and losers.

They don't like treating one taxpayer one way and one in a similar situation another way, one business one way and another one another way. That is exactly what we are doing if we don't act.

We are discriminating against the shoestore in Wyoming, against the boot store in Nashville, and against the small store in Maryville, TN. We are saying collect the tax when you sell something, but if your competitor from outside your State sells it, he or she does not have to. That is discrimination.

That is why the leading conservatives such as the chairman of the American Conservative Union, William Buckley, before he died; and Art Laffer, the economist who helped President Reagan develop his ideas; and the Governors such as Mitch Daniels, Jeb Bush, Chris Christie, and Bill Haslam, that is why these conservatives say they support the bill.

We are not even deciding whether States will collect taxes from out-of-State sellers. We are just saying States have the right to do it. Of course they have the right to do it.

That is why I am including this list of Governors. I think it is part of our job as Senators to respect the sovereign States from where we come, to respect the rights of the States to not think that just because we are in Washington we know better. Most Tennesseans don't like that.

I know when I was Governor nothing used to make me madder than a bunch of legislators coming up with some bright idea in Washington, passing it, turning it into a law, holding a press conference, taking the credit for it, and then sending the bill to me. The next thing you know they would be home making a speech at the Lincoln Day Dinner or Jefferson Day Dinner, if they were a Democrat, about local control. Well, it is about local control.

The idea that people in Washington would say we don't trust the States to make decisions about how to spend money, look at our record. We are running up trillion-dollar deficits every year, borrowing 26 cents out of every \$1 we spend.

I come from a State that has no State debt on roads. It has to balance the budget every year. It has a AAA bond rating. I would trust Governor Haslam, Lieutenant Governor Ramsey,

the Speaker of the House, and the Republican legislature a lot more than I do the Senate and Congress to make decisions about tax dollars.

I think I know pretty well what they will do if they have power to do it. I suspect they will say they are not going to pick and choose winners and losers. I know they are going to say that because the Governor and Lieutenant Governor told me. I expect what they will say is this will bring in more revenue so we will lower our tax rate because we will start collecting money from all the people who owe it instead of some of the people who owe it.

It is correct that some Governors have already said that. We were told today that in Ohio they have already said if this bill passes, they will collect money from everybody who owes it and then they will lower their income taxes.

Art Laffer said in his column in the Wall Street Journal: That is precisely what we ought to do to stimulate growth. He said: If we are going to have a tax, the best tax, said Mr. Laffer, is a tax that covers the largest number of people at the lowest possible rate.

If that is the case, what we are perpetuating within action is the worst kind of tax, which is the tax that States are allowed to tax a smaller range of people at a higher rate. This permits them to tax all the people who are in a similarly situated place at a lower rate, if that is what they choose to do.

The arrogance of those in Washington who would say they don't trust the States to make those decisions, they need to go back to seventh grade, read the U.S. Constitution and learn a little American history about where this country came from.

I am very proud of this Senate for, on this important issue led by Senator DURBIN and Senator ENZI, coming up with 75 and 74 votes 3 consecutive times to say we believe in a two-word principle on this 11-page bill, States rights or 10th Amendment, that we will recognize the power of States to make their own decisions.

If we don't act, all these claims about what happened to the 9,600 jurisdictions will come true. Some Governor—I know I would do it if I were still there—the Senate didn't act on this, the Congress didn't act, I would go right back to the Supreme Court. I would bet that 20 years after the Quill case that Senator HERTKAMP brought, back before there was an Internet, when the Court then said that requiring out-of-State sellers to collect the tax was burdensome, they would look at the Internet.

Those Justices know they can find out the weather in their hometowns by putting in the ZIP Code and putting in the name of the town. They know that an out-of-State seller could figure out the sales tax from the ZIP Code of the buyer. They know that.

I will predict that they would hold it is not an undue burden, and then all

the out-of-State sellers really would have 9,600 jurisdictions to deal with. We are simplifying, and we are creating something that will work. We are following a process that is well tried. There are a great many out-of-State catalog sellers and online sellers that today do exactly what the instate sellers do. They collect the sales tax. They do it through the ZIP Code over the Internet. We are saying everybody should do that except those who sell less than \$1 million a year. They don't have to do anything under this law.

According to many economists, that takes 99 percent of the online sellers out of the effect of this bill. We have tried to bring this through regular order. We are down here trying right now. We have received substantial support. There have been hearings. There has been a lot of work in the House, and there is broad support from the Governors. I am hopeful we will move forward tomorrow, finish this legislation, send it to the House, and take a step toward recognizing the Constitutional framework of our country by honoring the sovereign States rights to make decisions for themselves and stopping this attitude of requiring Governors and legislators to come to Washington and play "Mother May I" with responsibilities that ought to be clearly the responsibility of States.

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

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

The bill clerk proceeded to call the roll.

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

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

Mr. WHITEHOUSE. Mr. President, I don't think it will take this long, but I ask unanimous consent to speak as in morning business for up to 15 minutes.

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

#### CLIMATE CHANGE

Mr. WHITEHOUSE. Mr. President, I come to the floor again to address climate change, particularly today the change that carbon pollution is wreaking in our oceans.

Water temperatures are increasing, sea level is rising, ocean water is growing more acidic, and powerful storms are becoming more frequent and more intense. It is time to wake up to the threat to our oceans and coasts posed by carbon pollution.

The rate at which carbon is now being dumped into the atmosphere and absorbed by our oceans is unprecedented. NOAA estimates almost 1 million tons of the carbon dioxide we dump into the atmosphere is absorbed into the oceans every hour—1 million tons every hour. We know with scientific certainty that carbon pollution causes the ocean to become more acidic. Indeed, we measure that carbon pol-

lution has caused the global pH of the upper ocean to increase nearly 30 percent—by some measures nearly 40 percent—since preindustrial times.

In Rhode Island, the Ocean State, coastal activities define our heritage, our culture, and also our economy. Our coastal waters are spawning grounds, nurseries and shelters for fish and shellfish, which we enjoy and from which we profit. Our shores and coastal ponds are barriers that protect our coastal communities from ocean storms and that naturally improve water quality. Our oceans and coasts make coastal States such as ours who we are.

We will continue to take advantage of the ocean's bounty, as we should. We will trade, we will fish, and we will sail. We will dispose of waste, we will extract fuel and harness the wind. We will work our oceans. Navies and cruise ships, sailboats and supertankers will plow their surface. We cannot undo this part of our relationship with the sea. What we can change is what we do in return. If we use our best science and judgment to plan for the uses of our oceans, we will continue to reap the value they provide.

Carbon-driven changes to our planet will continue and will accelerate. The faster you are driving, the better your headlights need to be. Our headlights in this area are scientific research and planning. As we move ever faster into this uncharted territory, our headlights had better be working to preserve the valuable ecosystems upon which our communities and economies rely.

The National Ocean Policy, signed by President Obama in 2010, provides a commonsense framework for sensible research and planning and public-private cooperation, as we face the significant challenges bearing down on our oceans and coasts—on both our ecosystems and our industries.

Last week, the White House released the National Ocean Policy Implementation Plan, a blueprint for effective management of our oceans and the Great Lakes. It is not easy to balance the competing needs of commerce, conservation, culture, and recreation. More than 20 Federal agencies oversee our marine industries, governing everything from fisheries to oil and gas leasing. The implementation plan takes this on and moves us toward better and more collaborative management of ocean resources.

The implementation plan gathered the thoughts of a wide range of key stakeholders: maritime and energy industries, conservation and recreation interests, academic experts, and Federal, State, local, and tribal governments. The plan supports economic growth by streamlining permitting and approval processes, by improving mapping and ocean observing, and by providing greater access to data and information. The plan lays out specific actions and timelines to protect and restore coastal wetlands and reefs and to

prevent economic losses and job losses due to degraded shores and degraded waters.

Our coasts need immediate attention, so the plan could not come too soon. It states:

Our nation lost nearly 60,000 acres of coastal wetlands each year between 1998 and 2004. . . . Habitats are being altered by invasive species that threaten native aquatic life and cost billions of dollars per year in natural and infrastructure damage.

The implementation process the administration is pursuing is all about local needs and concerns. So the National Ocean Policy establishes voluntary regional planning bodies. Local people can get together, layer together the relevant data, and promote greater and more responsible use of their region's ocean resources.

In New England, we have seen the value of this cooperative ocean planning. Rhode Island's Ocean Special Area Management Plan—a special area management plan is called a SAMP in the trade—has made ecosystem restoration and industry interests advance simultaneously. I recently spent time at the Northeast Regional Planning Body meeting in Rhode Island and I know our region is excited to move forward with a regional process.

So let's look at some of the practical results when you get the information and the affected people in the room together. In Rhode Island, the wind energy industry, with its vast potential for manufacturing and maintenance jobs, is rapidly developing wind farms off of our coasts. Thanks to the groundwork that was laid by the Rhode Island SAMP, wind developers moved fairly smoothly through the regulatory thicket and they have avoided interference with marine highways, critical fisheries, habitats, and naval training ranges.

There is actually quite a good report I commend to all my colleagues on the ocean SAMP published by the Rhode Island Ocean Special Area Management Plan. It is a practitioner's guide, and it is a very effective document that shows how well this worked.

In this process, local people were listened to and they were heard. When the Federal Bureau of Ocean Energy Management announced this wind energy area here off of the Rhode Island coast, there was an area named Coxes Ledge, and the fishermen were concerned. The floor of the ocean at Coxes Ledge made it particularly rich fishing grounds and they didn't want it interfered with by having that area put up for wind farm development. Sure enough, when the map came out, the curve of Coxes Ledge is going right through the middle of the wind farm area, protected for the fishermen. They were listened to and they were heard.

So much of this is simple common sense. In Massachusetts, the endangered North Atlantic right whale, a population of about 450 of them, feeds in the waters just off of Boston. The whale strikes between shipping and the

right whales were becoming a problem. And because the right whale is endangered, it was becoming a real risk for shipping going in and out of Boston Harbor. So they found data that showed where the whale strikes were likely to be and they mapped that data. When they mapped the data, they saw if they moved the shipping channel out of Boston Harbor up a little bit they could come through an area that was largely safe from whale strikes. The cost to the industry was somewhere between 9 and 22 minutes of extra transit time—virtually nothing—while the number of whale strikes has dropped significantly.

Here is another example from outside of Delaware. The green sort of neon-colored dots here track the signals coming off cargo ships going in and out of Delaware Bay. As you can see, there is a pretty solid track coming out of Delaware Bay right through here. When Delaware first proposed its wind energy areas, they proposed these light green blocks as wind energy areas. This one, as we can see here, was planned right on top of the main shipping channel heading southeast out of Delaware Bay.

Critics say these kinds of efforts to get the data and the people in the room together “zone” the ocean. That is just plain factually wrong. The policy brings together people who use our ocean. In this case, the case of Delaware Bay, simply putting everybody in the room allowed the wind energy areas to be modified to avoid the conflict. So the southeastern area comes out and the turbine areas are beside it and the problem has been solved. That is not zoning, that is what military officers would call situational awareness; what the military would call deconfliction. What it really is is common sense.

As Nancy Sutley, the Chair of the White House Council on Environmental Quality, said:

With increasing demands on our ocean, we must improve how we work together, share information, and plan smartly to grow our economy, keep our ocean healthy and enjoy the highest benefits from our ocean resources, now and in the future.

Our ocean and coastal economy is important. Shoreline counties in this country generate 41 percent of our gross domestic product. In 2010, 2.8 million jobs were supported by maritime economic activities; commercial ports supported 13 million jobs; energy and minerals production supported almost three-fourths of a million jobs. But all of this activity creates opportunities for conflict.

The National Ocean Policy Implementation Plan is a blueprint to resolve those wasteful conflicts, to “deconflict” intelligently, and to streamline efforts across the Federal Government to keep our oceans and our ocean economy thriving. And it lets each region go forward at its own pace.

Michael Keyworth, recent head of our Rhode Island Marine Trades Associa-

tion, helped develop the Rhode Island Ocean Special Area Management Plan, SAMP, said this:

The National Ocean Policy Implementation Plan will enable regions like New England to move ahead with this smart ocean planning by engaging people like me, who live and work on the water every day, while not forcing planning on other regions that do not currently want to engage in the process.

Climate change is upon us, and its effects will only accelerate as we continue to spew megatons of carbon into our atmosphere. Changes are occurring fast in the oceans. That fact makes it all the more important that Congress remain vigilant and that we put our full support behind the commonsense framework of the national ocean policy.

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

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

The bill clerk proceeded to call the roll.

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

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

#### PROTECTING SOCIAL SECURITY

Mr. WHITEHOUSE. Mr. President, last month, the Senate approved a budget that included a blueprint for balanced and responsible deficit reduction. That budget was skillfully managed by our Budget Committee chairman, Senator MURRAY. It would complete the deficit reduction needed to stabilize our Nation's finances with a mix of smart spending cuts and revenue from closing wasteful tax loopholes. Top economists agree we need about \$4 trillion of deficit reduction to make our finances sustainable, and our budget gets us there. Together with the deficit reduction enacted last Congress, the Senate budget would reduce the deficit by \$4.3 trillion through a nearly 2-to-1 mix of spending cuts and revenue.

House Republicans took a very different approach with their budget, making only cuts—drastic cuts—to education, law enforcement, medical research, and even ending Medicare as we know it for future retirees. The House budget derives its deficit reduction from cuts that primarily hurt low-income and middle-class Americans, while refusing to touch a single tax giveaway to wealthy and well-connected special interests. Senate Democrats took a middle course; House Republicans produced an extremist tea party wish list.

In his own budget plan, President Obama included some smart provisions such as investments in infrastructure and the Buffett rule for tax fairness. I respect the President's outreach to a compromise with Republicans, but I cannot support the cuts to Social Security benefits in his plan. It is simply wrong to place the burden of deficit reduction on seniors and the disabled.

Social Security—one of the fundamental pillars of the American middle class—has not contributed and will not contribute to our deficits. Social Security is fully funded by its participants through payroll taxes and cannot by law add to the deficit.

Under current payroll tax levels, Social Security will have the funds to pay 100 percent of benefits until 2033. It is true we do need to make some adjustments to ensure that full benefits can be paid beyond that date, but that task has nothing to do with deficit reduction. Even if Congress did nothing before 2033, the projected shortfall would force automatic benefit cuts, not deficit spending.

I do look forward to working with Senators of both parties to ensure that Social Security remains fully solvent for generations to come, but that discussion does not belong in the unrelated debate on our Nation's budget deficits.

The Social Security cuts the President has proposed are not just in the wrong discussion, they are wrong themselves. To reflect inflation, Social Security recipients each year get cost-of-living adjustments, what we call COLAs. The President's proposal changes the formula used to make that determination, shifting to something called the chained Consumer Price Index or chained CPI. It sounds innocuous, but make no mistake, it is a benefit cut cloaked in technical jargon.

The argument for a chained CPI is that it is a more accurate measure of inflation—that it takes into account real-world decisions consumers make to modify their buying habits as prices fluctuate. As the price of apples goes up, we buy more bananas, so the overall effect on our budget is moderated. The result is lower annual cost-of-living adjustments—about 0.3 percent each year. But let's take a look at how seniors fare under the existing COLA structure.

In 2010 and 2011, seniors received no cost-of-living adjustment whatsoever—0.0 percent in 2010, 0.0 percent in 2011. But according to the existing consumer price formula used by government accountants, prices didn't rise enough to justify COLAs. That is what the COLA formula says. But in real life, what did it look like?

According to the Bureau of Labor Statistics, seniors saw food prices rise 1.5 percent in 2010, medical costs increase 3.3 percent, and they saw their gas and home heating oil go up by more than 13 percent each, and the COLA covered zero percent.

The next year, 2011, these costs increased again. Food prices jumped 4.5 percent, medical care jumped 3.5 percent, gasoline jumped 9.9 percent, and fuel oil jumped 14.3 percent, and again the COLA for seniors was zero.

So 2010 and 2011 add together; they are not included in one another. So food and beverage is a total of 6 percent, plus, allowing for compounding, 6.8 percent for medical care, 23.7 percent for gasoline, and 27.8 percent for

fuel oil—all with a COLA of zero percent.

The numbers show what Rhode Island seniors know: The problem with the Social Security COLA is that it is too low, that it doesn't meet the real costs seniors experience in real life.

Why does this happen? The existing cost-of-living formula considers prices across the whole economy, including products seniors are not so likely to buy, such as flat-screen TVs and smart phones and sporting equipment. Their prices may have fallen, but seniors don't benefit much from those lower prices.

The problem is that the current system fails to account for seniors' true costs in these areas. So my position is that we should move on to a more accurate formula for seniors, one that focuses on food, medicine and heating oil and gas and the other things seniors actually buy. I have been proud to support legislation to change the Social Security COLA formula to one that is geared more toward seniors, and I will continue to fight for the adoption of that new formula.

Chained CPI takes us in the opposite direction. It assumes consumers will alter the types of goods they buy as prices rise. But seniors on fixed incomes have little ability to shift their buying habits away from these basic expenses, things such as food, medical care, gasoline, and fuel oil. It is hard to shift away from those. The lower COLAs that chained CPI would produce will only cut into seniors' already tight budgets, and force seniors to bear the burden of reducing deficits that Social Security had no part in creating. A 0.3-percent reduction each year might sound small, but over time the power of compound interest makes those benefit cuts significant.

For people currently nearing retirement, these cuts would amount to annual benefit reductions of \$658 by the time they reach age 75, \$1,147 by the time they reach age 85, and \$1,622 by the time they reach age 95. That same power of compounding makes these cuts even larger for future generations of seniors. Perhaps \$658 or \$1,162 doesn't sound like much money to some folks around here, but to a senior in Rhode Island living on Social Security, that is real money.

After getting no COLA for 2 years in a row, Bethany, a senior from Smithfield, RI, wrote to me:

My health is not the best and it's not easy trying to survive on my Social Security and the increasing prices of gas, food, etc. and co-pays for medical. . . . The COLA calculation for Social Security doesn't work. We need an increase yearly to stay even with rising premiums and everyday expenses. Please continue to fight for Social Security and Medicare.

Deanne from Coventry, RI, wrote to me in February:

I am 68 years old and retired. I cannot work even part time because of severe Arthritis. My son lives with me who is permanently disabled due to an accident when he was 9 years old. He is now 44 years old. We

just make ends meet with Social Security as we have no other income. We wear sweat shirts and pants to bed and coats in the house during the winter because we can't pay the high prices of oil. If Social Security gets cut, I don't know how we will make it. I have worked all my adult life until the last two years. I NEED my Social Security. . . . In the face of ever-increasing prices for health care, home heating, prescription drugs and grocery bills, asking seniors to give up more and more of their Social Security benefit as they age when every dollar counts is just plain wrong.

These are real-life experiences of people who are the kind of folks chained CPI would affect. Yes, we need to make additional sacrifices to complete the job of deficit reduction; no, those burdens should not fall on our elderly and disabled constituents. Our deficits come from unnecessary Bush-era tax cuts that virtually exclusively benefited the wealthy, they come from a decade of wars we didn't pay for, and they come from the worst economic crisis since the Great Depression. They have nothing to do with Social Security, so don't take it out on the seniors.

As the Senate budget shows, we can complete the task of stabilizing our Nation's finances in smart ways, in fair ways, in balanced ways, in ways that don't put the burden on those who can least afford it.

When I ran for this office, I pledged to the people of Rhode Island that I would oppose cuts to Social Security, and I will keep that promise.

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

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

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

CONGRATULATING THE STILLER FAMILY FOUNDATION

Mr. LEAHY. Mr. President, I rise today to congratulate Bob and Christine Stiller and their Stiller Family Foundation for receiving the Most Outstanding Foundation Award of 2013 from the Association of Fundraising Professionals.

The Most Outstanding Foundation award is given annually to honor a foundation that demonstrates outstanding commitment through financial support, innovation, encourage-

ment, and motivation of others to take leadership roles in philanthropy and community involvement.

Previous recipients of this prestigious award include the John D. and Catherine T. MacArthur Foundation, the Susan G. Komen Breast Cancer Foundation, the Alfred P. Sloan Foundation, and the John S. and James L. Knight Foundation, among many others.

The Stiller Family Foundation has benefited youth centers, arts organizations, urban renewal projects, and education institutions throughout Vermont. The foundation recently announced a major grant to create the Robert P. Stiller School of Business at the Champlain College of Vermont and established a permanent endowment for the study of appreciative inquiry at the school.

My wife Marcelle and I have known Bob and Christine a long time. As lifelong philanthropists, they have made a positive impact in communities around the globe through their pointed leadership, innovative ideas, and generous funding. It is hard to mention all of their many achievements. As founder of the highly successful Green Mountain Coffee Roasters, Bob continues to promote sustainable business practices through environmental and fair trade initiatives all over the world. And Christine has been a strong advocate for Champlain College's Single Parents Program, which offers single parents the opportunity to break generational cycles of poverty by helping them fund a college education. Vermont is a better place because of all the work done by Bob and Christine Stiller.

I request unanimous consent that this article from the Burlington Free Press be printed at this point in the RECORD.

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

[From the Burlington Free Press, Apr. 12, 2013]

STILLER FAMILY FOUNDATION RECEIVES NATIONAL RECOGNITION

The Association of Fundraising Professionals recently honored Green Mountain Coffee Roasters Founder Bob Stiller and his wife Christine and their Stiller Family Foundation with the Most Outstanding Foundation Award of 2013.

The award was made at the Association's international conference in San Diego on April 6.

The Most Outstanding Foundation award is given annually to honor a foundation that demonstrates outstanding commitment through financial support, innovation, encouragement and motivation of others to take leadership roles in philanthropy and national, international and/or community involvement.

The award dates back to 1989, and has previously been given to the John D. and Catherine T. MacArthur Foundation, the David and Lucile Packard Foundation, the Susan G. Komen Breast Cancer Foundation, the Alfred P. Sloan Foundation and the John S. and James L. Knight Foundation, among others.

The Stiller Foundation's initiatives are primarily focused on people and communities in Vermont and Florida. The Stillers

have a home in Palm Beach. In Vermont, the Foundation supports local organizations and institutions including King Street Youth Center, Burlington City Arts, ReBuild Waterbury and Champlain College.

Champlain College in Burlington has been one of the largest beneficiaries of the Foundation, which recently granted the college \$10 million for the creation of the Robert P. Stiller School of Business and establishment of a permanent endowment to promote programs in Appreciative Inquiry and other positive psychology-based management approaches.

#### OBSERVING ARMENIAN GENOCIDE REMEMBRANCE DAY

Mr. LEVIN. Mr. President, 98 years ago today, the Ottoman Empire in Turkey launched one of the most horrific episodes in human history. The detention and eventual execution of hundreds of members of Turkey's ethnic Armenian minority launched a genocidal campaign of deportation and starvation in which more than 1.5 million people ultimately perished.

We mark Armenian Genocide Remembrance Day, first, because those who perished deserve to be remembered, but we also do so as a reminder: a reminder of the horrible violence that ethnic hatred can inflame; a reminder that too often, governments have employed those hatreds and passions; and a reminder that the world's silence in the face of one such episode of atrocity can embolden others who would seek to emulate it. It is often noted that Adolph Hitler, in justifying his invasion of Poland in 1939, told his commanders: "Who, after all, speaks today of the annihilation of the Armenians?" Silence in the face of governments that abuse and oppress their people simply enables the perpetrators of violence and injustice.

I join the many members of the Armenian-American community and Armenians around the world in the hope that the Government of the Republic of Turkey which we should remember played no role in the Armenian genocide can work together with the Government of Armenia to heal the divisions that remain nearly a century after this dark episode. That should include an honest and forthright dialogue about the nature of the events and the impact that it has had which is still with us today. Already, the governments of these two nations have negotiated an agreement to open the border between them, an agreement that includes a pledge to establish an independent commission of historians to review and come to a common understanding of the events of a century ago. I am hopeful that this agreement can be ratified and implemented.

It is also worth remembering that Turkey, a vital U.S. ally, is playing an enormously important role in confronting a more recent atrocity: the death of thousands of Syrian civilians at the hands of a dictatorial government seeking to hold on to power at any cost. More than 75,000 Syrians have

died in this strife, and more than 1 million of them are refugees. Many of those refugees have sought shelter in Turkey. I have joined with Senator MCCAIN and others in calling for our government to explore additional ways of supporting the efforts of Turkey and other nations to protect Syria's people. That call is motivated, in part, by the memory of historic episodes in which the community of nations has failed to act when confronted by such evil.

Our remembrance of the Armenian genocide makes it incumbent upon us to bear witness to this and other modern atrocities against human and civil rights. By our refusal to remain silent in the face of today's violence and injustice, we honor the victims of the Armenian genocide and other atrocities against decency and humanity.

Mrs. BOXER. Mr. President, I rise today to recognize the 98th anniversary of the Armenian genocide.

In 1948, the General Assembly of the United Nations passed the Convention on the Prevention and Punishment of the Crime of Genocide based in part on the horrific crimes perpetrated by the Ottoman Empire against the Armenian people in the early 20th Century.

Between 1915 and 1923, more than 1.5 million Armenians were marched to their deaths in the deserts of the Middle East, murdered in concentration camps, drowned at sea, and forced to endure horrific acts of brutality at the hands of the Ottoman Empire.

Yet, in the 65 years that have passed since the Convention was adopted, successive U.S. administrations have refused to call the deliberate massacre of the Armenians by its rightful name genocide.

For many years, I have urged both Democratic and Republican administrations to finally acknowledge the truth. I do so again today. It is long past time for our government to acknowledge, once and for all, that the Armenian genocide is a widely documented fact supported by an overwhelming body of historical evidence.

In fact, the Armenian genocide along with the Holocaust is one of the most studied cases of genocide in history. Tragically, Adolf Hitler even used the Ottoman Empire's action against the Armenians to justify the extermination of the Jews in the Holocaust, saying in 1939, "Who, after all, speaks today of the annihilation of the Armenians?"

A number of sovereign nations, ranging from Argentina to France, as well as 43 out of 50 U.S. States have recognized what happened to the Armenians as genocide. Yet successive U.S. administrations continue only to refer to the Armenian genocide as an annihilation, massacre, or murder.

The entire Armenian community and the descendants of the victims of the Armenian genocide continue to suffer prolonged pain each and every day that goes by without full acknowledgement by the United States.

I hope that this is the year that we finally right this terrible wrong because the United States cannot and does not turn a blind eye to atrocities around the globe. In fact, the United States is often the first to speak out in the face of violence and unspeakable suffering and to urge other countries to respond. But sadly, our Nation is on the wrong side of history when it comes to the Armenian genocide.

So this April 24, as we pause to remember the victims and to celebrate the many contributions Armenian Americans have made to our great country, I hope that the United States will finally and firmly stand on the right side of history and officially condemn the crimes of 1915 to 1923 by their appropriate name.

#### ADDITIONAL STATEMENTS

##### PLYMOUTH, NEW HAMPSHIRE

● Ms. AYOTTE. Mr. President, I rise today in honor of Plymouth, NH—a town in Grafton County that is celebrating the 250th anniversary of its founding. I am proud to join citizens across the Granite State in recognizing this historic event.

Plymouth was built at the convergence of the Pemigewasset and Baker rivers amid the beautiful White Mountains.

Plymouth was granted a charter by Gov. Benning Wentworth in 1763 and incorporated later that same year. It is named after the original Plymouth Colony in Massachusetts.

The population has grown to include over 7,000 residents. The patriotism and commitment of the people of Plymouth is reflected in part by their record of service in defense of our Nation.

Some of Plymouth's most notable residents include U.S. Senator and Congressman Henry W. Blair, Pulitzer Prize-winning authors Robert Frost and John Cheever, as well as Harl Pease. Mr. Pease was a World War II pilot and recipient of the Congressional Medal of Honor.

New Hampshire native, and then attorney, Daniel Webster, who went on to become one of the Senate's great orators, tried and lost his first criminal case in the Plymouth Courthouse.

Based in Plymouth, the Draper and Maynard Sporting Goods Company sold directly to the Boston Red Sox. Many early players would make the journey to Plymouth and select their equipment for the upcoming season.

Plymouth Normal School was founded in 1871 and became the State's first teachers college. This institution would subsequently become the Plymouth Teachers College, Plymouth State College, and is known today as Plymouth State University.

Plymouth is a place that has contributed much to the life and spirit of the State of New Hampshire. I am pleased to extend my warm regards to the people of Plymouth as they celebrate the town's 250th anniversary. ●

## WARREN, NEW HAMPSHIRE

• Ms. AYOTTE. Mr. President, today I wish to honor Warren, NH—a town in Grafton County that is celebrating the 250th anniversary of its founding. I am proud to join citizens across the Granite State in recognizing this historic event. This area, drained by the Baker River and built in the shadow of Mount Moosilauke, exemplifies the beauty of the surrounding White Mountain National Forest.

Warren was granted a charter by Governor Benning Wentworth in 1763 and incorporated by Governor John Wentworth in 1770. The town derives its name from British Admiral Sir Peter Warren and was first settled by Joseph Patch and John Page.

Since that time, the population has grown to include over 900 residents. The patriotism and commitment of the people of Warren are reflected in part by their service in most of America's major conflicts, with over 60 serving in World War II alone.

Warren's most notable landmark is a Redstone Ballistic Missile, dedicated in honor of Warren's favorite son, Senator Norris Cotton. Senator Cotton represented New Hampshire in Washington, D.C., for almost 30 years, including 8 years as a Congressman and over 20 as a Senator. The Federal building in Manchester and the Comprehensive Cancer Center at Dartmouth-Hitchcock Hospital, both bear his name.

Another notable resident of Warren was Ira Morse. Mr. Morse was a successful shoe retailer who traveled the world hunting big-game and collecting cultural artifacts. In 1928, Ira Morse opened his collection to the public and established the Morse Museum.

Located in the village of Glencliff is the historic Glencliff Home. This facility first provided relief and treatment for urban workers suffering from breathing impairment. Although its mission has changed, the home is still in operation and is currently administered by the New Hampshire Department of Health and Human Services.

Warren is a place that has contributed much to the life and spirit of the State of New Hampshire. I am pleased to extend my warm regards to the people of Warren as they celebrate the town's 250th anniversary. ●

WELLSPRING REVIVAL  
MINISTRIES

• Mr. BEGICH. Mr. President, today I would like to recognize the 15th anniversary of the founding of Wellspring Revival Ministries in Fairbanks, AK. In 1998, Michael and Linda Setterberg recognized the need for more youth activities in the Fairbanks area and set out to do something about it. In 1999, the Setterbergs opened Joel's Place, a place for young people who needed somewhere to belong.

It began with a weekly youth group meeting but it grew to be something

much bigger. Today, relying on volunteers, grants and charitable contributions, Joel's Place is open 6 days a week with a concert hall, a café, a garden, and sports activities including the only indoor skate park in Alaska. Joel's Place works with local school counselors and is a National Safe Place, offering shelter and counseling.

Part of the success of Joel's Place is due to partnerships with other local nonprofits and national foundations, as well as State and local governments. Federal grants from the U.S. Department of Agriculture provide support for the organization's Summer Food Service Program and Child and Adult Care Food Program, which ensures that low-income children receive nutritious meals.

The power to keep the program going comes from the passion and devotion of the founders of Joel's Place, the professionals who run it, the board of directors who oversee the organization and the volunteers who give their time. I give my congratulations to the people who make Joel's Place go, and I look forward to hearing about their continued success. ●

TRIBUTE TO LOREN DUKE  
ABDALLA

• Mr. JOHNSON of South Dakota. Mr. President, today I wish to recognize the military service of Loren Duke Abdalla, the great grandson of Yankton Sioux Tribe Chief Running Bull. Loren Duke Abdalla, a native South Dakotan, fought valiantly as part of the U.S. Marine Corps in World War II.

Loren Duke Abdalla, or "Duke" as he was known by his fellow Marines, began his service to this Nation when he enlisted in the Marine Corps in 1943 at the age of 18. He completed his basic training at Camp Elliot in San Diego, CA, where he was trained as a rifleman and machine gunner.

On September 15, 1944, Duke displayed his bravery at the Battle of Peleliu in the Pacific. In the struggle, three of his comrades were struck down next to him, but Duke still carried on, despite injuries, through the 6-day battle. At the end, Duke survived as one of only 29 Marines left standing in his Battalion. Shrapnel left holes in both of his legs, yet instead of returning home, he recovered in only a few months on the Island of Guadalcanal and returned to Pavuvu Island. He received a Purple Heart and was promoted to Corporal, and became squad leader of the 3rd Squad, 1st Platoon, A Company.

Duke returned to combat and quickly became a hero once again in the Battle of Okinawa. On May 5, 1945, he rescued 2nd squadron leader, Cpl John Brady, throwing him over his shoulder and carrying him to safety under heavy fire. Duke immediately returned to the battle where he began neutralizing machine gun nests leading up a ridge along with his 12-person squadron.

When he reached the fourth nest, he realized he was alone. With his comrades killed or wounded, he forged on to take out the last two nests by himself and reached the top of the ridge. In taking the ridge, he allowed the First Marine Division to advance. Although many of his comrades were honored for their bravery on that day, Duke was not recognized for his action.

Duke ended his service with an honorable discharge on February 28, 1947, ending 4 years of selfless sacrifice for our nation that will not soon be forgotten. At the battles of Okinawa and Peleliu, some of the bloodiest battles in the Pacific Theater, Loren Duke Abdalla proved time and again his courage, perseverance and ability to sacrifice, preventing many potential casualties. I ask my colleagues to join me in recognizing Corporal Loren Duke Abdalla for his exemplary service and dedication to our Nation. ●

## TRIBUTE TO GENE MURPHY

• MR. JOHNSON of South Dakota. Mr. President, today I wish to pay tribute to a tireless and inspirational advocate for veterans across this Nation. Gene Murphy is retiring as adjutant of the South Dakota chapter of the Disabled American Veterans (DAV), just the latest in a number of State and national veterans organizational posts he has served with distinction over the years.

Gene served in the United States Army in Vietnam. Just 30 days before he was scheduled to return home to the United States, Gene was paralyzed by two gunshots to his right side. He holds the Purple Heart and the Bronze Star with V Device.

Shortly after his return to the States, Gene became a lifetime member of the Disabled American Veterans, embarking on a 45-year career of serving the Nation's veterans and their families. Gene has shown tireless advocacy and a strong commitment to ensuring veterans receive the care and attention to their issues that they deserve and were promised.

Gene has been actively involved with the DAV at both the State and national level. From 1987–1988 he served as the DAV National Commander. In 1984, he was selected as the Nation's Outstanding Disabled Veteran of the Year. Gene served 20 years on the South Dakota Veterans Commission. He is a member of the Paralyzed Veterans of America, Military Order of The Purple Heart, Veterans of Foreign Wars, and the South Dakota Veterans Council. In 1979, he was named South Dakota's Handicapped Citizen of the Year.

Gene has been a steadfast advocate for veterans, whether the issues included improving health care services, conditions and access to care within the Department of Veterans Affairs; expediting consideration and decisions on claims for benefits; or shining the spotlight on the unique health care needs of veterans exposed to Agent Orange, who suffer from post-traumatic

stress disorder, or who were victims of traumatic brain injuries. Countless veterans in South Dakota have been able to make it to their VA appointments because of the DAV's transportation network and Gene's efforts in this area. Gene has brought awareness and education to elected officials and the general public on veterans mental health issues. He is keenly aware that military service impacts family members of veterans as well and has been an advocate on their behalf, too. Gene has also been instrumental in working to get the American Veterans' Disabled for Life Memorial built in Washington, DC, serving on the foundation's board of directors and as the treasurer of the Disabled Veterans' LIFE Memorial Foundation, Inc.

The native South Dakotan has been hawkish on budget issues facing the VA, making sure that the voices of veterans—young and old—are heard. Any effort to minimize, decrease or eliminate services to veterans would meet a stern challenge from Gene Murphy. He is aware of the financial impacts of increased copayments on indigent veterans. He remains steadfastly passionate that veterans, no matter what category or priority they are placed in, receive the full faith and commitment of their government when it comes to care and benefits.

I have always been impressed by Gene's passion and commitment to veterans, their families and their issues—whether it be a widow seeking benefits, a veteran seeking consideration of their overdue claim, or an era of veterans seeking compensation due to chemical exposure in a war zone. I have always valued and appreciated Gene's input on the plethora of issues impacting veterans. During my early years in Congress, Gene was very helpful in providing me with a better understanding of the many important issues facing veterans and their families, and I have relied upon Gene's insight on such issues throughout my congressional career. Gene never sugar-coats his requests or his statements; it is always done with candor and frankness. Nobody can second-guess Gene Murphy's passion for veterans.

Although Gene's term as adjutant of the South Dakota Disabled American Veterans is scheduled to end with the South Dakota DAV's State convention, and there are rumors that Gene may be stepping back from his consistently full plate of activities on behalf of South Dakota's and the Nation's veterans, I cannot believe that Gene's voice will be silent. I hope he will continue to provide me with advice and counsel on veterans issues.

I commend the lifetime of work by Gene Murphy on behalf of the Nation's veterans. I congratulate him on his numerous awards and the leadership roles he has held and taken for veterans over the past many decades. Veterans and their families have a true advocate in Gene Murphy and are better off today because of him. I commend his work

with the DAV and other veterans organizations and wish Gene and his wife Eldine well in his retirement.●

#### 2013 NATIONAL DRUG CONTROL STRATEGY—PM 8

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on the Judiciary:

*To the Congress of the United States:*

I am pleased to transmit the 2013 National Drug Control Strategy, my Administration's blueprint for reducing drug use and its consequences in the United States. As detailed in the pages that follow, my Administration remains committed to a balanced public health and public safety approach to drug policy. This approach is based on science, not ideology—and scientific research suggests that we have made real progress.

The rate of current cocaine use in the United States has dropped by 50 percent since 2006, and methamphetamine use has declined by one-third. New data released this year suggest that we are turning a corner in our efforts to address the epidemic of prescription drug abuse, with the number of people abusing prescription drugs decreasing by nearly 13 percent—from 7 million in 2010 to 6.1 million in 2011. And the number of Americans reporting that they drove after using illicit drugs also dropped by 12 percent between 2010 and 2011.

While this progress is encouraging, we must sustain our commitment to preventing drug use before it starts—the most cost-effective way to address the drug problem. The importance of prevention is becoming ever more apparent. Despite positive trends in other areas, we continue to see elevated rates of marijuana use among young people, likely driven by declines in perceptions of risk. We must continue to get the facts out about the health risks of drug use and support the positive influences in young people's lives that help them avoid risky behaviors.

The Strategy that follows presents a sophisticated approach to a complicated problem, encompassing prevention, early intervention, treatment, recovery support, criminal justice reform, effective law enforcement, and international cooperation.

I look forward to working with the Congress and stakeholders at all levels in advancing this 21st century approach to drug policy.

BARACK OBAMA.

THE WHITE HOUSE, April 24, 2013.

#### MESSAGES FROM THE HOUSE

#### ENROLLED BILL SIGNED

The President pro tempore (Mr. LEAHY) announced that on today,

April 24, 2013, he had signed the following enrolled bill, previously signed by the Speaker of the House:

H.R. 1246. An act to amend the District of Columbia Home Rule Act to provide that the District of Columbia Treasurer or one of the Deputy Chief Financial Officers of the Office of the Chief Financial Officer of the District of Columbia may perform the functions and duties of the Office in an acting capacity if there is a vacancy in the Office.

At 2:30 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1067. An act to make revisions in title 36, United States Code, as necessary to keep the title current and make technical corrections and improvements.

H.R. 1068. An act to enact title 54, United States Code, "National Park Service and Related Programs", as positive law.

The message also announced that pursuant to 22 U.S.C. 2761, and the order of the House of January 3, 2013, the Speaker appoints the following Member of the House of Representatives to the British-American Interparliamentary Group: Mr. Holding of North Carolina.

#### MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1067. An act to make revisions in title 36, United States Code, as necessary to keep the title current and make technical corrections and improvements; to the Committee on the Judiciary.

H.R. 1068. An act to enact title 54, United States Code, "National Park Service and Related Programs", as positive law; to the Committee on the Judiciary.

#### MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 788. A bill to suspend the fiscal year 2013 sequester and establish limits on war-related spending.

#### MEASURES READ THE FIRST TIME

The following bill was read the first time:

S. 799. A bill to provide for a sequester replacement.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-1290. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Methyl Jasmonate; Exemption from the Requirement of a Tolerance" (FRL No. 9382-6) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1291. A communication from the Management Analyst, Grain Inspection, Packers and Stockyards Administration, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Fees for Official Inspection and Official Weighing Services Under the United States Grain Standards Act" (RIN0580-AB13) received in the Office of the President of the Senate on April 16, 2013; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1292. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Propiconazole; Pesticide Tolerances" (FRL No. 9381-8) received in the Office of the President of the Senate on April 17, 2013; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1293. A communication from the Acting Under Secretary of Defense (Personnel and Readiness), transmitting, pursuant to law, a report relative to Department of Defense intending to continue to expand the role of women in the Army and Marine Corps; to the Committee on Armed Services.

EC-1294. A communication from the Assistant Director, Executive and Political Personnel, Department of Defense, transmitting, (3) reports relative to vacancies in the Department of Defense, received in the Office of the President of the Senate on April 16, 2013; to the Committee on Armed Services.

EC-1295. A communication from the Under Secretary of Defense (Policy), transmitting, pursuant to law, a report relative to providing support for a national Boy Scout jamboree; to the Committee on Armed Services.

EC-1296. A communication from the Under Secretary of Defense (Acquisition, Technology and Logistics), transmitting, pursuant to law, a report entitled "Driving Technological Surprise: DARPA's Mission in a Changing World"; to the Committee on Armed Services.

EC-1297. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report entitled "Iran-Related Multilateral Sanctions Regime Efforts" covering the period August 17, 2012 to February 16, 2013; to the Committee on Armed Services.

EC-1298. A communication from the Acting Principal Deputy Secretary of Defense (Reserve Affairs), transmitting, pursuant to law, the National Guard and Reserve Equipment Report (NGRER) for fiscal year 2014; to the Committee on Armed Services.

EC-1299. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Amendments to Existing Validated End-User Authorizations: CSMC Technologies Corporation in the People's Republic of China (PRC)" (RIN0694-AF90) received in the Office of the President of the Senate on April 17, 2013; to the Committee on Banking, Housing, and Urban Affairs.

EC-1300. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Rolls-Royce Deutschland Ltd and Co KG Turbojet Engines" ((RIN2120-AA64) (Docket No. FAA-2012-1006)) received during adjournment of the Senate in the Office of the President of the Senate on March 26, 2013; to the Committee on Commerce, Science, and Transportation.

EC-1301. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation,

transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Rolls-Royce Deutschland Ltd and Co KG Turbofan Engines" ((RIN2120-AA64) (Docket No. FAA-2012-1167)) received during adjournment of the Senate in the Office of the President of the Senate on March 26, 2013; to the Committee on Commerce, Science, and Transportation.

EC-1302. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Revisions to the Export Administration Regulations: Initial Implementation of Export Control Form" (RIN0694-AF65) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Commerce, Science, and Transportation.

EC-1303. A communication from the Acting General Counsel, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Revisions to Reliability Standard for Transmission Vegetation Management" (RIN1902-AE58) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Energy and Natural Resources.

EC-1304. A communication from the Acting General Counsel, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Annual Charge Filing Procedures for Natural Gas Pipelines" (Docket No. RML12-14-000) received in the Office of the President of the Senate on April 16, 2013; to the Committee on Energy and Natural Resources.

EC-1305. A communication from the Acting Assistant Administrator, Office of Water, Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Great Lakes Restoration Initiative Fiscal Year 2011 Report to Congress and the President"; to the Committee on Environment and Public Works.

EC-1306. A communication from the Director of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Enforcement Guidance Memorandum 13-002, . . . Being Developed" (EGM 13-002) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1307. A communication from the Director of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Final Safety Evaluation for Boiling Water Reactor . . . Curve Evaluation" received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1308. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Charlotte, Raleigh/Durham and Winston Salem Carbon Monoxide Limited Maintenance Plan" (FRL No. 9802-8) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1309. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans for Tennessee: Revisions to Volatile Organic Compound Definition" (FRL No. 9802-9) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1310. A communication from the Director of the Regulatory Management Division,

Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Delaware, State Board Requirements" (FRL No. 9803-3) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1311. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Illinois; Small Container Exemption from VOC Coating Rules" (FRL No. 9790-4) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1312. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "EPAAR Clause for Printing" (FRL No. 9800-6) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1313. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; West Virginia; The 2002 Base Year Emissions Inventory for the West Virginia Portion of the Steubenville-Weirton, OH-WV Nonattainment Area for the 1997 Fine Particulate Matter National Ambient Air Quality Standard" (FRL No. 9803-2) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1314. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Designation of Areas for Air Quality Planning Purposes; State of Nevada; Total Suspended Particulate" (FRL No. 9802-6) received in the Office of the President of the Senate on April 15, 2013; to the Committee on Environment and Public Works.

EC-1315. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, Imperial County Air Pollution Control District" (FRL No. 9799-3) received in the Office of the President of the Senate on April 17, 2013; to the Committee on Environment and Public Works.

EC-1316. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Indiana; Particulate Matter Air Quality Standards" (FRL No. 9804-6) received in the Office of the President of the Senate on April 17, 2013; to the Committee on Environment and Public Works.

EC-1317. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Air Quality: Revision to Definition of Volatile Organic Compounds—Exclusion of trans 1-chloro-3,3,3-trifluoroprop-1-ene [Solstice 1233zd(E)]" (FRL No. 9800-8) received in the Office of the President of the Senate on April 17, 2013; to the Committee on Environment and Public Works.

EC-1318. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air

Quality Implementation Plans; Illinois; Consumer Products and AIM Rules" (FRL No. 9786-2) received in the Office of the President of the Senate on April 17, 2013; to the Committee on Environment and Public Works.

EC-1319. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Supplemental Determination for Renewable Fuels Produced Under the Final RFS2 Program From Grain Sorghum; Correction" (FRL No. 9803-6) received in the Office of the President of the Senate on April 17, 2013; to the Committee on Environment and Public Works.

EC-1320. A communication from the Chairman of the United States International Trade Commission, transmitting, pursuant to law, the Commission's Annual Performance Report for fiscal year 2012; to the Committee on Finance.

EC-1321. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the Department's Affordable Care Act fiscal year 2012 report; to the Committee on Finance.

EC-1322. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Finalizing Medicare Regulations under Section 902 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) for Calendar Year 2012"; to the Committee on Finance.

EC-1323. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Beginning of Construction for Purposes of the Renewable Electricity Production Tax Credit and Energy Investment Tax Credit" (Notice 2013-29) received in the Office of the President of the Senate on April 18, 2013; to the Committee on Finance.

EC-1324. A communication from the Assistant Director of the Legal Processing Division, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Basis Reporting by Securities Brokers and Basis Determination for Debt Instruments and Options; Reporting for Premium" ((RIN1545-BK05) (TD 9616)) received in the Office of the President of the Senate on April 18, 2013; to the Committee on Finance.

EC-1325. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, an annual report on the Child Support Enforcement Program for fiscal year 2010; to the Committee on Finance.

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. MENENDEZ (for himself, Mr. CORKER, Mr. UDALL of New Mexico, and Mr. RUBIO):

S. 793. A bill to support revitalization and reform of the Organization of American States, and for other purposes; to the Committee on Foreign Relations.

By Mr. HOEVEN (for himself, Ms. KLOBUCHAR, Mr. CORNYN, Mr. BEGICH, Ms. AYOTTE, Mrs. SHAHEEN, Mr. PORTMAN, Mr. RISCH, Mr. COATS, Mr. CHAMBLISS, Mr. LEE, Mr. GRAHAM, Mr. BLUMENTHAL, Mr. MANCHIN, Mr. ALEXANDER, Mr. MCCAIN, Mr. TOOMEY, Mr. ENZI, Mr. KIRK, Mr.

BARRASSO, Mr. MCCONNELL, Mr. COBURN, Mr. SCOTT, Mr. INHOFE, Mr. GRASSLEY, Mr. HEINRICH, Mr. ROBERTS, Mr. CRAPO, Mr. JOHNSON of Wisconsin, Mr. JOHANNIS, Mr. PAUL, Mr. COCHRAN, Mrs. FISCHER, Mr. SESSIONS, Mr. WICKER, Mr. BLUNT, Mr. BOOZMAN, Mr. RUBIO, and Mr. HATCH):

S. 794. A bill to prevent an increase in flight delays and cancellations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. COONS (for himself, Mr. MORAN, Ms. STABENOW, and Ms. MURKOWSKI):

S. 795. A bill to amend the Internal Revenue Code of 1986 to extend the publicly traded partnership ownership structure to energy power generation projects and transportation fuels, and for other purposes; to the Committee on Finance.

By Mr. DURBIN (for himself and Mr. KIRK):

S. 796. A bill to designate the facility of the United States Postal Service located at 302 East Green Street in Champaign, Illinois, as the "James R. Burgess Jr. Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

By Mr. REID (for Mr. LAUTENBERG (for himself and Mr. MENENDEZ)):

S. 797. A bill to extend the authorization for the Coastal Heritage Trail in the State of New Jersey; to the Committee on Energy and Natural Resources.

By Mr. BROWN (for himself, Mr. VITTER, Mr. KIRK, and Mr. SESSIONS):

S. 798. A bill to address equity capital requirements for financial institutions, bank holding companies, subsidiaries, and affiliates, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. INHOFE (for himself and Mr. TOOMEY):

S. 799. A bill to provide for a sequester replacement; read the first time.

By Mr. CORNYN:

S. 800. A bill to require the Secretary of Veterans Affairs to ensure that the South Texas Department of Veterans Affairs Health Care Center at Harlingen, located in Harlingen, Texas, includes a full-service inpatient health care facility of the Department of Veterans Affairs, to redesignate such center, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. THUNE (for himself, Ms. KLOBUCHAR, Mr. BENNET, Mr. BROWN, Mr. JOHANNIS, and Mr. HARKIN):

S. 801. A bill to amend the Federal Crop Insurance Act to provide for crop production on native sod; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. HAGAN (for herself, Mr. CRAPO, Mr. CARPER, Mr. VITTER, Mr. COONS, Mr. RISCH, Ms. HEITKAMP, Mr. INHOFE, Mrs. MCCASKILL, Mr. DONNELLY, Mr. PRYOR, Ms. LANDRIEU, and Mr. CHAMBLISS):

S. 802. A bill to clarify Congressional intent regarding the regulation of the use of pesticides in or near navigable waters, and for other purposes; to the Committee on Environment and Public Works.

By Mr. REID (for Mr. LAUTENBERG (for himself, Mrs. GILLIBRAND, and Mr. BLUMENTHAL)):

S. 803. A bill to provide enhanced disaster unemployment assistance to States affected by Hurricane Sandy and Tropical Storm Sandy of 2012, and for other purposes; to the Committee on Finance.

By Mr. PORTMAN (for himself and Mr. BENNET):

S. 804. A bill to streamline and address overlap in the Federal workforce investment system, steer Federal training dollars to-

ward skills needed by industry, establish incentives for accountability through a Pay for Performance pilot program, and provide new access to the National Directory of New Hires, to measure performance and better connect the unemployed to jobs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ROCKEFELLER (for himself, Mr. MANCHIN, Mr. HARKIN, and Mrs. MURRAY):

S. 805. A bill to improve compliance with mine and occupational safety and health laws, and empower workers to raise safety concerns, prevent future mine and other workplace tragedies, and establish rights of families of victims of workplace accidents, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ROBERTS (for himself, Ms. STABENOW, Mr. CASEY, and Mr. BROWN):

S. 806. A bill to amend part B of title XVIII of the Social Security Act to exclude customary prompt pay discounts from manufacturers to wholesalers from the average sales price for drugs and biologicals under Medicare; to the Committee on Finance.

By Mrs. MCCASKILL:

S. 807. A bill to require that Federal regulations use plain writing that is clear, concise, and well-organized, and follows other best practices appropriate to the subject or field and intended audience; to the Committee on Homeland Security and Governmental Affairs.

By Mrs. MCCASKILL:

S. 808. A bill to establish the Office of the Inspector General of the Senate; to the Committee on Rules and Administration.

By Mrs. BOXER (for herself, Ms. MURKOWSKI, Mrs. GILLIBRAND, Mr. BLUMENTHAL, Mr. BEGICH, Mr. TESTER, Mr. SANDERS, Mr. MERKLEY, Mr. SCHATZ, and Mr. HEINRICH):

S. 809. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that genetically engineered food and foods that contain genetically engineered ingredients be labeled accordingly; to the Committee on Health, Education, Labor, and Pensions.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. TOOMEY (for himself, Mr. CASEY, and Mr. MCCONNELL):

S. Res. 109. A resolution expressing the sense of the Senate that the United States should leave no member of the Armed Forces unaccounted for during the drawdown of forces in Afghanistan; to the Committee on Armed Services.

By Mr. COBURN (for himself and Mr. UDALL of Colorado):

S. Res. 110. A resolution to prevent the creation of duplicative and overlapping Federal programs; to the Committee on Rules and Administration.

By Mr. REID (for Mr. LAUTENBERG (for himself, Mr. ROCKEFELLER, Mr. THUNE, and Mr. BLUNT)):

S. Res. 111. A resolution supporting the goals and ideals of National Safe Digging Month; considered and agreed to.

By Mr. WICKER (for himself, Mr. REID, Mr. MCCONNELL, Mr. ALEXANDER, Ms. AYOTTE, Ms. BALDWIN, Mr. BARRASSO, Mr. BAUCUS, Mr. BEGICH, Mr. BENNET, Mr. BLUMENTHAL, Mr. BLUNT, Mr. BOOZMAN, Mrs. BOXER, Mr. BROWN, Mr. BURR, Ms. CANTWELL, Mr. CARDIN, Mr. CARPER, Mr. CASEY, Mr.

CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. COCHRAN, Ms. COLLINS, Mr. COONS, Mr. CORKER, Mr. CORNYN, Mr. COWAN, Mr. CRAPO, Mr. CRUZ, Mr. DONNELLY, Mr. DURBIN, Mr. ENZI, Mrs. FEINSTEIN, Mrs. FISCHER, Mr. FLAKE, Mr. FRANKEN, Mrs. GILLIBRAND, Mr. GRAHAM, Mr. GRASSLEY, Mrs. HAGAN, Mr. HARKIN, Mr. HATCH, Mr. HEINRICH, Ms. HEITKAMP, Mr. HELLER, Ms. HIRONO, Mr. HOEVEN, Mr. INHOFE, Mr. ISAKSON, Mr. JOHANNES, Mr. JOHNSON of Wisconsin, Mr. JOHNSON of South Dakota, Mr. KAINE, Mr. KING, Mr. KIRK, Ms. KLOBUCHAR, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEE, Mr. LEVIN, Mr. MANCHIN, Mr. MCCAIN, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. MERKLEY, Ms. MIKULSKI, Mr. MORAN, Ms. MURKOWSKI, Mr. MURPHY, Mrs. MURRAY, Mr. NELSON, Mr. PAUL, Mr. PORTMAN, Mr. PRYOR, Mr. REED, Mr. RISCH, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. RUBIO, Mr. SANDERS, Mr. SCHATZ, Mr. SCHUMER, Mr. SCOTT, Mr. SESSIONS, Mrs. SHAHEEN, Mr. SHELBY, Ms. STABENOW, Mr. TESTER, Mr. THUNE, Mr. TOOMEY, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. VITTER, Mr. WARNER, Ms. WARREN, Mr. WHITEHOUSE, and Mr. WYDEN):

S. Res. 112. A resolution commending employees of the Senate Post Office, employees of the Sergeant at Arms of the Senate, members of the Capitol Police, and members of the Capitol Hill community for their courage and professionalism following the biochemical attack against the Senate on April 16, 2013; considered and agreed to.

By Mr. KAINE (for himself and Ms. COLLINS):

S. Res. 113. A resolution designating April 23, 2013 as "National Adopt a Library Day"; considered and agreed to.

By Mr. REID (for himself and Mr. MCCONNELL):

S. Res. 114. A resolution to authorize testimony, documents, and representations in United States v. Renzi, et al; considered and agreed to.

By Mr. HARKIN (for himself, Mr. WHITEHOUSE, Mr. SANDERS, Ms. WARREN, Ms. MIKULSKI, Mr. BROWN, Mr. LAUTENBERG, Mr. FRANKEN, Mrs. GILLIBRAND, Ms. HIRONO, Mrs. HAGAN, Mr. SCHATZ, Mr. MERKLEY, Mr. REED, and Mr. BEGICH):

S. Con. Res. 15. A concurrent resolution expressing the sense of Congress that the Chained Consumer Price Index should not be used to calculate cost-of-living adjustments for Social Security or veterans benefits, or to increase the tax burden on low- and middle-income taxpayers; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 323

At the request of Mr. DURBIN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 323, a bill to amend title XVIII of the Social Security Act to provide for extended months of Medicare coverage of immunosuppressive drugs for kidney transplant patients and other renal dialysis provisions.

S. 375

At the request of Mr. TESTER, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 375, a bill to require Senate candidates to file designations, statements, and reports in electronic form.

S. 445

At the request of Mr. FRANKEN, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 445, a bill to improve security at State and local courthouses.

S. 624

At the request of Mr. BURR, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 624, a bill to amend the Child Care and Development Block Grant Act of 1990 to require criminal background checks for child care providers.

S. 689

At the request of Mr. HARKIN, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 689, a bill to reauthorize and improve programs related to mental health and substance use disorders.

S. 690

At the request of Mr. SCHATZ, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of S. 690, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Scouts to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

S. 710

At the request of Mr. WARNER, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 710, a bill to provide exemptions from municipal advisor registration requirements.

S. 724

At the request of Mr. BLUNT, the names of the Senator from Indiana (Mr. COATS), the Senator from Kansas (Mr. ROBERTS) and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. 724, a bill to provide flexibility to agencies on determining what employees are essential personnel in implementing the sequester.

S. 725

At the request of Mr. CORNYN, the name of the Senator from Nevada (Mr. HELLER) was added as a cosponsor of S. 725, a bill to provide a taxpayer bill of rights for small businesses.

S. 728

At the request of Mr. SCHUMER, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 728, a bill to amend the Internal Revenue Code of 1986 to extend the exclusion from gross income for employer-provided health coverage for employees' spouses and dependent children to coverage provided to other eligible designated beneficiaries of employees.

S. 733

At the request of Mr. ALEXANDER, the name of the Senator from North Carolina (Mrs. HAGAN) was added as a cosponsor of S. 733, a bill to amend the Department of Energy High-End Computing Revitalization Act of 2004 to im-

prove the high-end computing research and development program of the Department of Energy, and for other purposes.

S. 749

At the request of Mr. CASEY, the name of the Senator from Nevada (Mr. HELLER) was added as a cosponsor of S. 749, a bill to amend the Internal Revenue Code of 1986 to permanently extend the 15-year recovery period for qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property.

S. 754

At the request of Mrs. GILLIBRAND, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 754, a bill to amend the Specialty Crops Competitiveness Act of 2004 to include farmed shellfish as specialty crops.

S. 774

At the request of Mr. GRASSLEY, his name was added as a cosponsor of S. 774, a bill to require the Comptroller General of the United States to submit a report to Congress on the effectiveness of the Federal Communications Commission's universal service reforms.

S. 777

At the request of Mrs. GILLIBRAND, the name of the Senator from Delaware (Mr. COONS) was added as a cosponsor of S. 777, a bill to restore the previous policy regarding restrictions on use of Department of Defense medical facilities.

S. 790

At the request of Mrs. MCCASKILL, the names of the Senator from Georgia (Mr. CHAMBLISS), the Senator from Idaho (Mr. RISCH), the Senator from Idaho (Mr. CRAPO), the Senator from South Carolina (Mr. GRAHAM), the Senator from Tennessee (Mr. ALEXANDER), the Senator from Nebraska (Mrs. FISCHER) and the Senator from North Dakota (Mr. HOEVEN) were added as cosponsors of S. 790, a bill to require the United States International Trade Commission to recommend temporary duty suspensions and reductions to Congress, and for other purposes.

S.J. RES. 13

At the request of Mr. WARNER, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S.J. Res. 13, a joint resolution amending title 36, United States Code, to designate July 26 as United States Intelligence Professionals Day.

S. RES. 65

At the request of Mr. GRAHAM, the names of the Senator from New Mexico (Mr. HEINRICH), the Senator from Rhode Island (Mr. REED) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of S. Res. 65, a resolution strongly supporting the full implementation of United States and international sanctions on Iran and urging the President to continue to strengthen enforcement of sanctions legislation.

## AMENDMENT NO. 740

At the request of Mr. JOHANNIS, his name was added as a cosponsor of amendment No. 740 intended to be proposed to S. 743, a bill to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOEVEN (for himself, Ms. KLOBUCHAR, Mr. CORNYN, Mr. BEGICH, Ms. AYOTTE, Mrs. SHAHEEN, Mr. PORTMAN, Mr. RISCH, Mr. COATS, Mr. CHAMBLISS, Mr. LEE, Mr. GRAHAM, Mr. BLUMENTHAL, Mr. MANCHIN, Mr. ALEXANDER, Mr. MCCAIN, Mr. TOOMEY, Mr. ENZI, Mr. KIRK, Mr. BARRASSO, Mr. MCCONNELL, Mr. COBURN, Mr. SCOTT, Mr. INHOFE, Mr. GRASSLEY, Mr. HEINRICH, Mr. ROBERTS, Mr. CRAPO, Mr. JOHNSON of Wisconsin, Mr. JOHANNIS, Mr. PAUL, Mr. COCHRAN, Mrs. FISCHER, Mr. SESSIONS, Mr. WICKER, Mr. BLUNT, Mr. BOOZMAN, Mr. RUBIO, and Mr. HATCH):

S. 794. A bill to prevent an increase in flight delays and cancellations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. HOEVEN. Mr. President, I rise this morning to introduce legislation. The legislation is entitled the "Dependable Air Service Act." It is a very simple, straightforward solution to the issue of the furloughs of air traffic controllers, and I would like to take just a few minutes to describe it.

This is bipartisan legislation. I would like to start out by thanking my cosponsors. The lead cosponsor is Senator AMY KLOBUCHAR of Minnesota, but other cosponsors are Senator JOHN CORNYN of Texas, Senator ROB PORTMAN of Ohio, Senator KELLY AYOTTE, Senator RISCH of Idaho, and also Senator JEAN SHAHEEN of New Hampshire. As one can see, it is bipartisan legislation. These are original cosponsors on the bill with me, and we will have more, as we are talking to others.

As I said, this is a very simple, straightforward solution to the issue we face of delays in our airports across the country because of the furloughs to air traffic controllers. What the bill does is to say to the Administrator of the FAA—the Federal Aviation Administration, Administrator Huerta—that he can use dollars within his budget, move them around as he needs to move them around, and that is what he needs to do—to move dollars around within his budget so he does not have to take \$206 million out of the salary line of the air traffic controllers. He can then decide what reductions he can make in those salaries and what level of furloughs he can make to air traffic controllers but still maintain air service on an on-time basis, so we have depend-

able on-time air service across this country for our citizens.

Further, it provides that if for any reason the FAA Administrator, within his budget, cannot fully accomplish that, then the Secretary of Transportation, Mr. LaHood, can work with him to utilize funds within the budget of the Department of Transportation. It provides the authority, quite simply, to move the dollars around within the budget of the DOT—Department of Transportation—and gives the Secretary that authority to make sure they do not furlough more air traffic controllers than are needed to keep our air flights on time, to keep service, of course, safe and dependable so the traveling public can be assured their flights are going to be on time.

The FAA has announced they are furloughing about 1,500 air traffic controllers, which is about 10 percent of their total air traffic controller workforce. They are doing this to save \$206 million of the roughly \$630 million to \$640 million the FAA is reducing under sequestration. They have the authority to move 2 percent of their operating budget without congressional approval, and they have the authority to move up to 5 percent of their operational budget around with congressional approval, which means coming to the Appropriations Committee and getting approval to move up to that 5 percent. But FAA Administrator Huerta has said that is not a sufficient amount to make the adjustments he needs to make within the FAA budget to address the furlough issue.

So what this bill does, quite simply, is it says: Look, you can move the dollars as you need to within your budget. You have the flexibility and the authority to do that. Do that. And if for any reason that isn't sufficient, then Secretary LaHood can backstop that through the Department of Transportation dollars.

To put this into perspective, the total budget for the Department of Transportation is \$72 billion—\$72 billion—and the total cuts throughout DOT, which includes the FAA, under sequestration is about \$1 billion—\$1 billion. The FAA is taking \$637 million of that reduction. Of course, the real issue we are dealing with in terms of flight delays is that about \$206 million comes out of the air traffic controller salary line. So what we are saying is: Look, make some reductions, find some economies, do what you can within the air traffic controller line, just as you are doing across the budget. We should all be doing that because the Federal Government has a huge deficit. We have a huge debt. We have to find ways to reduce spending. So we are all in this together and we have to find sensible, commonsense ways to minimize the impact to the public. We have to, with that approach, find savings. So find the savings you can in terms of how many air traffic controllers you can truly furlough and then move the dollars you have to in order to be sure we do not impact the traveling public.

Again, this is a bipartisan bill. This is a simple—straightforward solution to the issue, and we need to do it. We need to do it.

On Monday, reports were there were 1,200 flights delayed across the country. At airports in New York, in Dallas, and in Los Angeles, some of those flights were up to several hours. What the FAA has indicated is that up to 6,700 flights a day out of the roughly 23,000-plus flights a day may be delayed because of these air traffic controller furloughs. There is no reason for that. So I want the public to know we are putting forth a simple, straightforward bipartisan solution that still saves the dollars we need to save but gives the simple, straightforward flexibility that is necessary—both within FAA and DOT, if necessary—to make the adjustments, to make sure those flights are on time for the traveling public.

I called Secretary LaHood yesterday. I said: What do you think? He said: I think that will work fine. Great. Let's work together. Let's do it.

We talked to the airlines association. We talked to the FAA Administrator and said: What do you think? The air traffic controllers union: What do you think? They all seemed to say: Commonsense, simple, straightforward. Let's do it.

Let's make sure we solve problems for the American public. They need to know that not only are their flights safe, they need to know they are dependable. They need to know when they show up at the airport that airplane is going to leave when they expect it to leave. It is important for our families, it is important for our businesses, it is important for the economy of this country, and it is easily solved. So let's do it.

I ask my colleagues to join me in this legislation.

By Mr. DURBIN (for himself and Mr. KIRK):

S. 796. A bill to designate the facility of the United States Postal Service located at 302 East Green Street in Champaign, Illinois, as the "James R. Burgess Jr. Post Office Building"; to the Committee on Homeland Security and Governmental Affairs.

Mr. DURBIN. Mr. President, today along with my colleague Senator MARK KIRK, I introduced a bill to name the United States Postal Service facility at 302 East Green Street in Champaign, Illinois, as the James R. Burgess Jr. Post Office Building.

I am proud to introduce this measure to honor Mr. Burgess, an accomplished Illinois war veteran and public servant. Mr. Burgess served his country honorably in World War II and after. At age 29, he led one of six companies in the 761st Tank Battalion, the first African-American armored unit to enter battle in World War II. The 761st served under General George Patton. After the war, he remained in the military, serving in Army intelligence. As part of his training, Mr. Burgess attended both German

and Russian language school. He retired from the Army in 1962 with a “top secret” clearance.

After his military career, Mr. Burgess moved his wife and two sons to Champaign where he earned a law degree from the University of Illinois. After moving to Chicago for a time, the family eventually returned to Champaign where Mr. Burgess worked for the Champaign County State’s Attorney. In 1972, he was elected to the post himself. He became the first and, to this day, the only African American elected to county-wide office in Champaign County.

In 1977, President Jimmy Carter appointed Mr. Burgess to be United States Attorney for what was then the Eastern District of Illinois. He held that position until 1982. Mr. Burgess passed away in 1997.

I look forward to working with my colleagues in the House and Senate to complete the effort long-undertaken by his loving son, Steve, and family to honor this worthy Illinoisan and patriotic American.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 796

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. JAMES R. BURGESS JR. POST OFFICE BUILDING.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 302 East Green Street in Champaign, Illinois, shall be known and designated as the “James R. Burgess Jr. Post Office Building”.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the “James R. Burgess Jr. Post Office Building”.

By Mr. CORNYN:

S. 800. A bill to require the Secretary of Veterans Affairs to ensure that the South Texas Department of Veterans Affairs Health Care Center at Harlingen, located in Harlingen, Texas, includes a full-service inpatient health care facility of the Department of Veterans Affairs, to redesignate such center, and for other purposes; to the Committee on Veterans’ Affairs.

Mr. CORNYN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 800

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Treto Garza Far South Texas Veterans Inpatient Care Act of 2013”.

**SEC. 2. INPATIENT HEALTH CARE FACILITY AT DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITY IN HARLINGEN, TEXAS.**

(a) FINDINGS.—Congress makes the following findings:

(1) The current and future health care needs of veterans residing in Far South Texas are not being fully met by the Department of Veterans Affairs.

(2) According to recent census data, more than 108,000 veterans reside in Far South Texas.

(3) Travel times for veterans from the Valley Coastal Bend area from their homes to the nearest Department of Veterans Affairs hospital for acute inpatient health care can exceed six hours.

(4) Even with the significant travel times, veterans from Far South Texas demonstrate a high demand for health care services from the Department of Veterans Affairs.

(5) Ongoing overseas deployments of members of the Armed Forces from Texas, including members of the Armed Forces on active duty, members of the Texas National Guard, and members of the other reserve components of the Armed Forces, will continue to increase demand for medical services provided by the Department of Veterans Affairs.

(6) The Department of Veterans Affairs employs an annual Strategic Capital Investment Planning process to “enable the VA to continually adapt to changes in demographics, medical and information technology, and health care delivery”, which results in the development of a multi-year investment plan that determines where gaps in services exist or are projected and develops an appropriate solution to meet those gaps.

(7) According to the Department of Veterans Affairs, final approval of the Strategic Capital Investment Planning priority list serves as the “building block” of the annual budget request for the Department.

(8) Arturo “Treto” Garza, a veteran who served in the Marine Corps, rose to the rank of Sergeant, and served two tours in the Vietnam War, passed away on October 3, 2012.

(9) Treto Garza, who was also a former co-chairman of the Veterans Alliance of the Rio Grande Valley, tirelessly fought to improve health care services for veterans in the Rio Grande Valley, with his efforts successfully leading to the creation of the South Texas VA Health Care Center at Harlingen, located in Harlingen, Texas.

**(b) REDESIGNATION OF SOUTH TEXAS DEPARTMENT OF VETERANS AFFAIRS HEALTH CARE CENTER.—**

(1) IN GENERAL.—The South Texas Department of Veterans Affairs Health Care Center at Harlingen, located in Harlingen, Texas, is redesignated as the “Treto Garza South Texas Department of Veterans Affairs Health Care Center”.

(2) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the medical facility of the Department of Veterans Affairs referred to in paragraph (1) shall be deemed to be a reference to the “Treto Garza South Texas Department of Veterans Affairs Health Care Center”.

**(c) REQUIREMENT OF FULL-SERVICE INPATIENT FACILITY.—**

(1) IN GENERAL.—The Secretary of Veterans Affairs shall ensure that the Treto Garza South Texas Department of Veterans Affairs Health Care Center includes a full-service inpatient health care facility of the Department and shall modify the existing facility as necessary to meet that requirement.

(2) PLAN TO EXPAND FACILITY CAPABILITIES.—The Secretary shall include in the annual Strategic Capital Investment Plan of the Department a project to expand the capabilities of the Treto Garza South Texas Department of Veterans Affairs Health Care Center by adding the following:

(A) Inpatient capability for 50 beds with appropriate administrative, clinical, diag-

nostic, and ancillary services needed for support.

(B) An urgent care center.

(C) The capability to provide a full range of services to meet the needs of women veterans.

(d) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report detailing a plan to implement the requirements in subsection (c), including an estimate of the cost of required actions and the time necessary for the completion of those actions.

(e) FAR SOUTH TEXAS DEFINED.—In this section, the term “Far South Texas” means the following counties in Texas: Aransas, Bee, Brooks, Calhoun, Cameron, DeWitt, Dimmit, Duval, Goliad, Hidalgo, Jackson, Jim Hogg, Jim Wells, Kenedy, Kleberg, Nueces, Refugio, San Patricio, Starr, Victoria, Webb, Willacy, Zapata.

By Mr. ROCKEFELLER (for himself, Mr. MANCHIN, Mr. HARKIN, and Mrs. MURRAY):

S. 805. A bill to improve compliance with mine and occupational safety and health laws, and empower workers to raise safety concerns, prevent future mine and other workplace tragedies, and establish rights of families of victims of workplace accidents, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. ROCKEFELLER. Mr. President, I rise today to discuss mine safety, a critical issue to my state and the tens of thousands of miners across the Nation.

Earlier this month we observed the third anniversary of the Upper Big Branch mine disaster which killed twenty nine of our Nation’s miners. That disaster, the most deadly in decades, shocked the country and made us realize that we must aggressively and continually seek to make mining safer and we cannot rest—because no number of deaths or accidents is acceptable.

In the past 3 years we have seen some positive steps in our Nation’s mine safety efforts.

As part of the Dodd-Frank bill we required publicly-traded mining companies to report safety information to their shareholders through their public filings with the Securities and Exchange Commission.

Congress provided additional funds, \$22 million, for MSHA and the Federal Mine Safety and Health Review Commission to reduce the appeals backlog, enforce mine safety laws and investigate the Upper Big Branch Disaster.

MSHA has also pursued increased enforcement actions through their impact inspections that target violations at unsafe mines with poor compliance history or specific safety concerns. As of March 2013, the Administration had conducted 579 impact inspections, resulting in 10,036 citations, 946 orders, and 43 safeguards.

The administration has finalized rules to improve the broken “Pattern

of Violations” process to better pursue repeat offenders.

While we have had these improvements we also know that 97 miners have died on the job since this tragedy. That is 97 new grieving families. That is unacceptable to me, and I think to most people.

So it is clear that we must do more.

That is why today I am reintroducing my comprehensive mine safety legislation the Robert C. Byrd Mine and Workplace Safety and Health Act of 2013. We do incredibly important things in this bill including.

We give MSHA expanded authority to subpoena documents and testimony. Currently, MSHA does not have the authority to subpoena documents or testimony from operators outside the context of a formal, public hearing. MSHA should have this authority in the context of investigations and inspections as well as public hearings.

We provide for an independent investigation of the most serious accidents. The bill creates an independent panel, comprised of a team of independent experts, to investigate the actions of both the operator and MSHA for serious accidents, including any accident involving three or more deaths.

We strengthen whistleblower protections for miners who speak out about unsafe conditions. This bill will require one hour annually of “miner’s rights training” to inform workers of the law’s protections, give miners an express right to refuse unsafe work, expand the time limit for filing a complaint about retaliation from 60 to 180 days, and authorize punitive damages and criminal penalties for retaliation against workers who raise safety concerns.

We increase maximum penalties. Currently, criminal violations of mine safety laws are a misdemeanor for a first offense. To provide a strong deterrent for such serious misconduct, the penalties for knowing violations of safety standards will be raised to the felony level, including providing felony penalties for miners, operators, and government officials who knowingly provide advance notice of inspections.

We also increase civil penalties for making unsafe ventilation changes and violating mandatory health or safety standards for rock dusting or failing to keep the records required. These are areas of particular concern that were highlighted by investigations conducted by the Mine Safety and Health Administration, the United Mine Workers of America, and the Governor’s Independent Investigation.

We limit Miners’ Exposure to Black Lung Disease. This debilitating disease is on the rise among a new generation of coal miners. Specifically, the provision would require that MSHA issue a rule within 6 months, a rule that is long overdue, to lower exposure levels to respirable dust which would provide the maximum feasible protection that is achievable through environmental controls. It would also require that

MSHA reexamine the incidence of black lung disease every 5 years and, unless there is a decline in black lung, update the regulations again. More than 70 percent of the victims tested at Upper Big Branch were determined to have signs of black lung disease.

We improve Federal and State Coordination to Combat Safety Violations. The Governor’s Independent Investigation Panel recommended that Federal and State agencies immediately work together to address safety problems at mines right after they are found out, and this provision would strongly encourage such actions.

I want to be very clear that I will not give up on fighting for the safety and health of our Nation’s miners. Health and safety are issues that people shouldn’t have to compromise on. I will continue this fight for West Virginia’s miners and it is my hope that more of my colleagues will join me in these efforts.

Mr. HARKIN. Mr. President, I strongly support the Robert C. Byrd Mine and Workplace Safety Act. This bill brings the Nation’s mine health and safety laws up to date, gives mine safety officials the ability to effectively investigate and shut down habitually dangerous mines, and holds mine operators accountable for putting their workers in unnecessary danger.

It has been over 3 years since April 5, 2010, when a massive explosion ripped through Massey Energy’s Upper Big Branch Mine in West Virginia, tragically killing 29 miners. As the son of a coal miner, I continue to feel these losses very deeply, on a very personal level. My heart goes out to the family and coworkers of every worker who is killed or injured on the job. Too many of these tragedies are preventable, and we should not rest until the day comes when no hard-working American has to sacrifice his or her life for a paycheck.

The Upper Big Branch catastrophe spurred numerous investigations, and the resulting reports have yielded insight into specific ways that the government can act to improve the health and safety of our Nation’s miners. Under the leadership of Joe Main, the Mine and Safety Health Administration has already taken many such important steps. One of their bold new safety initiatives that flowed from the Upper Big Branch explosion was to overhaul the “pattern of violations” process, which targets the worst actors in the mining industry. The pattern of violations regulation addresses a root cause of the Upper Big Branch disaster by strengthening worker protections at mines where operators are repeatedly and flagrantly disregarding safety rules. It is a substantial step forward that will help address the problems at our most dangerous mines before disaster strikes. And MSHA has made similar progress on other recommendations stemming from the Upper Big Branch disaster. Indeed, according to a March 31, 2013, report from the Labor Department’s Office of Inspector Gen-

eral, MSHA has already implemented or is on track to timely address all of the 100 recommendations with deadlines from the investigative teams that studied the Upper Big Branch explosion.

I applaud these efforts wholeheartedly, and I am pleased to mark our Nation’s progress in mine safety reform. On-the-job deaths of miners reached a record low in 2012 of 35. But 35 deaths means 35 brothers, sons, uncles, and fathers were stolen away from their families last year—a number that is still far too high. Catastrophes like the Upper Big Branch explosion make it clear that our work here is unfinished.

To prevent yet another disaster and more unnecessary deaths, Congress must do its part. It is time for the Senate to take action and ensure that a disaster like the Upper Big Branch explosion will never happen again. We need to strengthen the oversight system for the most dangerous mines, fortify penalties for operators who willfully put miners at risk, and make sure miners are protected if they raise safety concerns. And that is why I strongly support the Robert C. Byrd Mine and Workplace Safety Act of 2013. This bill is an important step in making good on an obligation we have to health and safety of our courageous miners and their families.

This bill stands for some fundamental principles I believe are shared by all Americans.

We believe that every American deserves to go to work without fearing for his or her life.

We believe that responsible businesses that put safety first shouldn’t have to compete with businesses that prioritize a quick buck over the safety of their employees.

We believe that employers who put workers’ lives at risk should face serious consequences that will force them to change their ways.

We believe that companies shouldn’t be able to hide behind high priced lawyers and convoluted corporate structures to avoid being held accountable for their actions.

We believe that the critical agencies charged with protecting workers’ lives should have all the tools they need to get the job done.

We believe that whistleblowers are the first line of defense in safe workplaces and deserve strong protection from discrimination and retaliation.

The Robert C. Byrd Mine and Workplace Safety Act of 2013 reflects these core principles and includes effective policies to achieve them. Its passage would be a major step forward for workplace safety.

This legislation also makes common sense reforms to the Occupational Safety and Health Act, OSHA, which has not been significantly updated since it was passed over 40 years ago. For example, whistleblower protections under the OSH Act are toothless and unfairly tilted against workers

who risk their career to protect the public welfare. This bill makes essential changes to ensure that workers are protected, including lengthening OSHA's 30-day statute of limitation for whistleblowers, providing for reinstatement while the legal process unfolds for cases with an initial finding of merit and giving the worker the right to file their own claim in court if the government does not investigate the claim in a timely manner.

The bill also strengthens criminal and civil penalties that, at present, are too weak to protect workers. Under current law, an employer may be charged—at most—with a misdemeanor when a willful violation of OSHA leads to a worker's death. Under the Robert C. Byrd Mine and Workplace Safety Act of 2013, felony charges are available for an employer's repeated and willful violations of OSHA that result in a worker's death or serious injury. The bill also updates OSHA civil penalties—which have been unchanged since 1990—and sets a minimum penalty of \$50,000 for a worker's death caused by a willful violation.

In addition to toughening sanctions for employers who needlessly expose their employees to risk, the bill makes sure that the government is responsive to workers when investigating charges. It guarantees victims the right to meet with the person investigating the claim, to be notified of and receive copies of reports or citations issued in the investigation, and to be notified of and have the right to appear at proceedings related to their case. Victims of retaliation should not suffer the double indignity of being ignored by government officials charged with protecting them.

I hope that my colleagues on both sides of the aisle will support the Robert C. Byrd Mine and Workplace Safety Act of 2013. This important bill would take a tremendous step forward for mine safety and could ultimately save the lives of thousands of hard-working Americans.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 109—EX-PRESSING THE SENSE OF THE SENATE THAT THE UNITED STATES SHOULD LEAVE NO MEMBER OF THE ARMED FORCES UNACCOUNTED FOR DURING THE DRAWDOWN OF FORCES IN AFGHANISTAN

Mr. TOOMEY (for himself, Mr. CASEY, and Mr. MCCONNELL) submitted the following resolution; which was referred to the Committee on Armed Services:

S. RES. 109

Whereas the United States is a country of great honor and integrity;

Whereas the United States has made a sacred promise to members of the Armed Forces who are deployed overseas in defense of this country that their sacrifice and service will never be forgotten; and

Whereas the United States can never thank the proud members of the Armed Forces enough for what they do for this country on a daily basis: Now, therefore, be it

*Resolved*, That the Senate—

(1) believes that abandoning the search efforts for members of the Armed Forces who are missing or captured in the line of duty now or in the future is unacceptable;

(2) believes that the United States has a responsibility to keep the promises made to members of the Armed Forces who risk their lives on a daily basis on behalf of the people of the United States;

(3) supports the United States Soldier's Creed and the Warrior Ethos, which state that "I will never leave a fallen comrade"; and

(4) believes that, while the United States continues to transition leadership roles in combat operations in Afghanistan to the people of Afghanistan, the United States must continue to fulfill these important promises to any member of the Armed Forces who is in a missing status or captured as a result of service in Afghanistan now or in the future.

SENATE RESOLUTION 110—TO PREVENT THE CREATION OF DUPLICATIVE AND OVERLAPPING FEDERAL PROGRAMS

Mr. COBURN (for himself and Mr. UDALL of Colorado) submitted the following resolution; which was referred to the Committee on Rules and Administration:

*Resolved*,

SECTION 1. SHORT TITLE.

This resolution may be cited as the "Preventing Duplicative and Overlapping Government Programs Resolution".

SEC. 2. REPORTED LEGISLATION.

Paragraph 11 of rule XXVI of the Standing Rules of the Senate is amended—

(1) in subparagraph (c), by striking "and (b)" and inserting "(b), and (c)";

(2) by redesignating subparagraph (c) and subparagraph (d); and

(3) by inserting after subparagraph (b) the following:

"(c) The report accompanying each bill or joint resolution of a public character reported by any committee (including the Committee on Appropriations and the Committee on the Budget) shall contain—

"(1) an analysis by the Congressional Research Service to determine if the bill or joint resolution creates any new Federal program, office, or initiative that would duplicate or overlap any existing Federal program, office, or initiative with similar mission, purpose, goals, or activities along with a listing of all of the overlapping or duplicative Federal program or programs, office or offices, or initiative or initiatives; and

"(2) an explanation provided by the committee as to why the creation of each new program, office, or initiative is necessary if a similar program or programs, office or offices, or initiative or initiatives already exist."

SEC. 3. CONSIDERATION OF LEGISLATION.

Rule XVII of the Standing Rules of the Senate is amended by inserting at the end thereof the following:

"6. (a) It shall not be in order in the Senate to proceed to any bill or joint resolution unless the committee of jurisdiction has prepared and posted on the committee website an overlapping and duplicative programs analysis and explanation for the bill or joint resolution as described in subparagraph (b) prior to proceeding.

"(b) The analysis and explanation required by this subparagraph shall contain—

"(1) an analysis by the Congressional Research Service to determine if the bill or joint resolution creates any new Federal program, office, or initiative that would duplicate or overlap any existing Federal program, office, or initiative with similar mission, purpose, goals, or activities along with a listing of all of the overlapping or duplicative Federal program or programs, office or offices, or initiative or initiatives; and

"(2) an explanation provided by the committee as to why the creation of each new program, office, or initiative is necessary if a similar program or programs, office or offices, or initiative or initiatives already exist.

"(c) This paragraph may be waived by joint agreement of the Majority Leader and the Minority Leader of the Senate upon their certification that such waiver is necessary as a result of—

"(1) a significant disruption to Senate facilities or to the availability of the Internet; or

"(2) an emergency as determined by the leaders."

SENATE RESOLUTION 111—SUPPORTING THE GOALS AND IDEALS OF NATIONAL SAFE DIGGING MONTH

Mr. REID (for Mr. LAUTENBERG (for himself, Mr. ROCKEFELLER, Mr. THUNE, and Mr. BLUNT)) submitted the following resolution; which was considered and agreed to:

S. RES. 111

Whereas each year, the underground utility infrastructure of the United States, including pipelines, electric, gas, telecommunications, water, sewer, and cable television lines, is jeopardized by unintentional damage caused by those who fail to have underground lines located prior to digging;

Whereas some utility lines are buried only a few inches underground, making the lines easy to strike, even during shallow digging projects;

Whereas digging prior to locating underground utility lines often results in unintended consequences, such as service interruption, environmental damage, personal injury, and even death;

Whereas the month of April marks the beginning of the peak period during which excavation projects are carried out around the United States;

Whereas in 2002, Congress required the Department of Transportation and the Federal Communications Commission to establish a 3-digit, nationwide, toll-free number to be used by State "One Call" systems to provide information on underground utility lines;

Whereas in 2005, the Federal Communications Commission designated "811" as the nationwide "One Call" number for homeowners and excavators to use to obtain information on underground utility lines before conducting excavation activities;

Whereas "One Call" has helped reduce the number of digging damages caused by failure to call before digging from 48 percent in 2004 to 26 percent in 2011;

Whereas the 1,600 members of the Common Ground Alliance, who are dedicated to ensuring public safety, environmental protection, and the integrity of services, promote the national "Call Before You Dig" campaign to increase public awareness about the importance of homeowners and excavators calling 811 to find out the exact location of underground lines;

Whereas the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 affirmed and expanded the "One Call" program by eliminating the exemptions from notifying "One Call" centers before digging that were formerly given to local and State government agencies and their contractors; and

Whereas the Common Ground Alliance has designated April as "National Safe Digging Month" to increase awareness of safe digging practices across the United States and to celebrate the anniversary of 811, the national "Call Before You Dig" number:

Now, therefore, be it

*Resolved*, That the Senate—

(1) supports the goals and ideals of National Safe Digging Month; and

(2) encourages all homeowners and excavators throughout the United States to call 811 before digging.

**SENATE RESOLUTION 112—COMMENDING EMPLOYEES OF THE SENATE POST OFFICE, EMPLOYEES OF THE SERGEANT AT ARMS OF THE SENATE, MEMBERS OF THE CAPITOL POLICE, AND MEMBERS OF THE CAPITOL HILL COMMUNITY FOR THEIR COURAGE AND PROFESSIONALISM FOLLOWING THE BIOCHEMICAL ATTACK AGAINST THE SENATE ON APRIL 16, 2013**

Mr. WICKER (for himself, Mr. REID, Mr. MCCONNELL, Mr. ALEXANDER, Ms. AYOTTE, Ms. BALDWIN, Mr. BARRASSO, Mr. BAUCUS, Mr. BEGICH, Mr. BENNET, Mr. BLUMENTHAL, Mr. BLUNT, Mr. BOOZMAN, Mrs. BOXER, Mr. BROWN, Mr. BURR, Ms. CANTWELL, Mr. CARDIN, Mr. CARPER, Mr. CASEY, Mr. CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. COCHRAN, Ms. COLLINS, Mr. COONS, Mr. CORKER, Mr. CORNYN, Mr. COWAN, Mr. CRAPO, Mr. CRUZ, Mr. DONNELLY, Mr. DURBIN, Mr. ENZI, Mrs. FEINSTEIN, Mrs. FISCHER, Mr. FLAKE, Mr. FRANKEN, Mrs. GILLIBRAND, Mr. GRAHAM, Mr. GRASSLEY, Mrs. HAGAN, Mr. HARKIN, Mr. HATCH, Mr. HEINRICH, Ms. HEITKAMP, Mr. HELLER, Ms. HIRONO, Mr. HOEVEN, Mr. INHOFE, Mr. ISAKSON, Mr. JOHANNES, Mr. JOHNSON of Wisconsin, Mr. JOHNSON of South Dakota, Mr. KAINE, Mr. KING, Mr. KIRK, Ms. KLOBUCHAR, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEE, Mr. LEVIN, Mr. MANCHIN, Mr. MCCAIN, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. MERKLEY, Ms. MIKULSKI, Mr. MORAN, Ms. MURKOWSKI, Mr. MURPHY, Mrs. MURRAY, Mr. NELSON, Mr. PAUL, Mr. PORTMAN, Mr. PRYOR, Mr. REED of Rhode Island, Mr. RISCH, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. RUBIO, Mr. SANDERS, Mr. SCHATZ, Mr. SCHUMER, Mr. SCOTT, Mr. SESSIONS, Mrs. SHAHEEN, Mr. SHELBY, Ms. STABENOW, Mr. TESTER, Mr. THUNE, Mr. TOOMEY, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. VITTER, Mr. WARNER, Ms. WARREN, Mr. WHITEHOUSE, and Mr. WYDEN) submitted the following resolution; which was considered and agreed to:

S. RES. 112

Whereas approximately 30,000 legislative branch employees work in the United States Capitol Complex, including approximately 6,200 employees of the Senate, 11,500 employ-

ees of the House of Representatives, and 12,800 employees of other entities;

Whereas the Sergeant at Arms of the Senate implemented enhanced mail screening procedures following the opening of a letter containing anthrax spores that was delivered to the Senate on October 15, 2001;

Whereas employees of the Senate Post Office mail screening facility in Landover, Maryland, serve as the first line of defense of the Senate against biochemical threats delivered through the mail;

Whereas employees of the Senate Post Office mail screening facility in Landover, Maryland, successfully intercepted an envelope that tested positive for the deadly poison ricin on April 16, 2013;

Whereas employees of the Senate Post Office mail screening facility in Landover, Maryland, immediately implemented emergency protocols and contacted the Capitol Police and medical emergency response teams; and

Whereas the Capitol Police, other law enforcement agencies, and medical professionals responded expeditiously to the mail screening facility in Landover, Maryland, and performed their duties with courage and professionalism in spite of the threat of toxic exposure: Now, therefore, be it

*Resolved*, That the Senate—

(1) commends employees of the Senate Post Office, employees of the Sergeant at Arms of the Senate, members of the Capitol Police, and members of the Capitol Hill community for their courage, professionalism, and dedication to serving the public in response to the biochemical attack against the Senate on April 16, 2013;

(2) recognizes the congressional leadership, congressional employees, the Capitol Police, and the Office of the Attending Physician for establishing effective screening methods and response plans that prevented injury and death within the United States Capitol Complex; and

(3) requests that the President recognize the courage and professionalism of the employees of the Senate Post Office, employees of the Sergeant at Arms of the Senate, members of the Capitol Police, and members of the Capitol Hill community for their steadfast service to the public in defiance of those who seek to disrupt the constitutional duties of the legislative branch.

**SENATE RESOLUTION 113—DESIGNATING APRIL 23, 2013 AS "NATIONAL ADOPT A LIBRARY DAY"**

Mr. KAINE (for himself and Ms. COLLINS) submitted the following resolution; which was considered and agreed to:

S. RES. 113

Whereas libraries are an essential part of the communities and the national education system of the United States;

Whereas the availability of books and services provided by libraries are vital to the happiness, livelihood, and prosperity of the families and communities of the United States;

Whereas the people of the United States benefit significantly from libraries that serve as an open place for people of all ages and backgrounds to use books and other resources that offer pathways to learning, self-discovery, and the pursuit of knowledge;

Whereas libraries in the United States depend on the generous donations and support of individuals and groups to ensure that people who are unable to purchase books still have access to a wide variety of resources;

Whereas certain nonprofit organizations facilitate the donation of books to schools

and libraries across the United States to extend the joy of reading to millions of people in the United States and to prevent used books from being thrown away;

Whereas libraries in the United States have provided valuable resources to people who are affected by the economic crisis by encouraging continued education and job training;

Whereas libraries are increasingly being used as a resource for people seeking the tools and information necessary to enter or reenter the workforce; and

Whereas several States that recognize the importance of libraries and reading have adopted resolutions commemorating April 23 as "Adopt a Library Day": Now, therefore, be it

*Resolved*, That the Senate—

(1) designates April 23, 2013 as "National Adopt a Library Day";

(2) honors the organizations that facilitate donations to schools and libraries;

(3) urges all people of the United States who own unused books to donate the books to local libraries;

(4) strongly supports children and families who take advantage of the resources provided by schools and libraries; and

(5) encourages the people of the United States to observe National Adopt A Library Day with appropriate ceremonies and activities.

**SENATE RESOLUTION 114—TO AUTHORIZE TESTIMONY, DOCUMENTS, AND REPRESENTATIONS IN UNITED STATES V. RENZI, ET AL**

Mr. REID (for himself and Mr. MCCONNELL) submitted the following resolution; which was considered and agreed to:

S. RES. 114

Whereas, in the case of United States v. Renzi, et al., Case No. 08-212, pending in Arizona Federal district court, the prosecution and defense have requested the production of documents and employee testimony from the offices of Senator John McCain and former Senator Jon Kyl;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

*Resolved*, That the Office of Senator John McCain and the former Office of Senator Jon Kyl are authorized to produce relevant documents and employee testimony in the case of United States v. Renzi, et al., except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent current and former employees of the offices of Senators McCain and Kyl in connection with the production of evidence authorized in section one of this resolution.

SENATE CONCURRENT RESOLUTION 15—EXPRESSING THE SENSE OF CONGRESS THAT THE CHAINED CONSUMER PRICE INDEX SHOULD NOT BE USED TO CALCULATE COST-OF-LIVING ADJUSTMENTS FOR SOCIAL SECURITY OR VETERANS BENEFITS, OR TO INCREASE THE TAX BURDEN ON LOW- AND MIDDLE-INCOME TAXPAYERS

Mr. HARKIN (for himself, Mr. WHITEHOUSE, Mr. SANDERS, Ms. WARREN, Ms. MIKULSKI, Mr. BROWN, Mr. LAUTENBERG, Mr. FRANKEN, Mrs. GILLIBRAND, Ms. HIRONO, Mrs. HAGAN, Mr. SCHATZ, Mr. MERKLEY, Mr. REED of Rhode Island, and Mr. BEGICH) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 15

Whereas the Social Security program was established more than 77 years before the date of agreement to this resolution and has provided economic security to generations of Americans through benefits earned based on contributions made over the lifetime of the worker;

Whereas the Social Security program continues to provide modest benefits, averaging approximately \$1,156 per month, to more than 57,000,000 individuals, including 37,000,000 retired workers in March 2013;

Whereas the Social Security program has no borrowing authority, has accumulated assets of \$2,700,000,000,000, and, therefore, does not contribute to the Federal budget deficit;

Whereas the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund projects that the Trust Fund can pay full benefits through 2032;

Whereas the Social Security program is designed to ensure that benefits keep pace with inflation through cost-of-living adjustments (referred to in this preamble as "COLAs") that are based upon the measured changes in prices of goods and services purchased by consumers that is currently published by the Bureau of Labor Statistics as the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W);

Whereas the Bureau of Labor Statistics publishes a supplemental measure of inflation, the Chained Consumer Price Index for all Urban Consumers (C-CPI-U), or "Chained CPI", which adjusts for projected changes in consumer behavior resulting from price fluctuations known as the "substitution effect";

Whereas the substitution effect occurs when consumers buy more goods and services with prices that are rising slower than average and fewer goods and services with prices that are rising faster than average;

Whereas studies indicate that typical Social Security beneficiaries spend a significantly higher percentage of their budget than other consumers on health care, health care prices have increased at higher than average rates, and consumers, including seniors, may not be able to substitute health care easily;

Whereas the current COLAs, based on the CPI-W, fail to reflect that Social Security beneficiaries spend more of their income proportionally on expenses such as health care as compared to a regular wage earner, and therefore underestimate increases in the cost of living of Social Security beneficiaries;

Whereas the Congressional Budget Office has estimated that using the Chained CPI to calculate Social Security COLAs would reduce Social Security benefits by 0.25 percent per year, resulting in a reduction in outlays of \$127,000,000,000 over the first decade;

Whereas reductions in Social Security benefits from using the Chained CPI to calculate Social Security COLAs would continue to compound over time, and the AARP Public Policy Institute estimates that the reductions would grow to 3 percent after 10 years and 8.5 percent after 30 years;

Whereas Social Security Works estimates that using the Chained CPI to calculate Social Security COLAs would reduce annual Social Security benefits of the average earner by \$658 at age 75, \$1,147 at age 85, and \$1,622 at age 95;

Whereas reductions in Social Security benefits would harm some of the most vulnerable populations in the United States;

Whereas adopting the Chained CPI would cause tax brackets and the standard deduction to rise more slowly, disproportionately raising the tax burden on low- and middle-income taxpayers;

Mr. HARKIN. Mr. President, I come to the floor today along with my colleague from Vermont to introduce a concurrent resolution expressing the sense of Congress that the so-called chained CPI should not be used for the purpose of calculating Social Security benefits or benefits for disabled veterans.

As we work to reduce the deficit in a balanced and responsible manner, many have discussed changing the measure of inflation used to calculate the cost-of-living allowances to a measure of inflation called the chained CPI.

Now, some claim that the chained CPI is a more accurate measure of inflation because it takes into account the fact that consumers may change their spending behavior and substitute items with lower priced increases for items with higher priced increases. As a result of this feature, the chained CPI results in a lower measure of inflation.

All of this may seem very technical, but the impact of requiring Social Security or veterans disability COLAs—cost-of-living adjustments—to be based on the chained CPI is anything but technical. It will have real and negative impacts on our seniors and those who become disabled as a result of service in the Armed Forces. In fact, the most adversely impacted would be the oldest and the poorest. I do not think anything could be more unfair or inappropriate or unnecessary.

As this first chart shows, the chained CPI is a real cut in Social Security benefits. According to Social Security Works, this policy would reduce annual Social Security benefits for the average worker at age 75 by \$658 a year, by age 85 by \$1,147 a year, and by age 95 by \$1,622 a year. Over on this side of the chart we see the cumulative cut; in other words, what would happen over the years. From age 65 to 75 people would lose about \$4,600, by age 85 they would lose \$13,900, and by age 95 they would lose \$28,000.

I think a couple things this chart shows is that people are penalized for living longer—the longer they live, the more they are penalized.

Now, one might say: Well, \$658 a year by the time you are age 75, that does

not sound like a lot. Yes, not to some of us, not to us with our incomes. Look at the kind of retirement programs we have. If you are in the upper quintile, of course, that does not seem like much. But, again, if we look at a second chart I have, we will see who really kind of gets hurt, and it is the poorer you are.

Let's put it this way: Let's say you are 65, and your total income is less than \$12,554 a year. That puts you below the poverty line. The total amount of your income that comes from Social Security is 84.3 percent. Well, you might think, if you are making less than that, wouldn't all your money come from Social Security? Well, the answer is yes, but—and I question people about this—if you are making that little amount of money, and you are over 65, you are probably working at some part-time job. Maybe you are baby-sitting, maybe you are cleaning houses, maybe you are a greeter at a store. You are probably doing something to add to your income, but it would only amount to about 16 percent. Most of it comes from Social Security.

We can see from this chart, even after you get up to \$20,000 a year, it is about the same. About 84 percent of your money comes from Social Security. So if you take a cut in Social Security, and you are lower income, that is where you get whacked the most.

Of course, when you get up here to the fifth quintile, you are making more than \$57,957 a year. Only 17 percent of your income comes from Social Security. So you say, well, if you took \$600-some a year from that, yes, you can probably afford it. But even if you look at up to \$57,000 a year in the fourth quintile, almost half—43.5 percent—of your total income comes from Social Security. So even if you are making \$30,000, \$35,000 a year, after age 65 half of your income comes from Social Security.

So, again, when you start making these kinds of cuts in the chained CPI, you might say: Well, it is only \$658 a year. For someone in the lower quintiles, that is like a month's worth of food, perhaps 6 weeks' worth of food. Tell me that does not have an effect. Of course it has an effect.

If you are in the upper income, you probably do not have that much to worry about. That is why the pernicious effect of chained CPI is that the longer you live, the more you are penalized; and the lower your income, the bigger whack you are taking out of your total income. So, again, as people get older, they are more likely to have depleted all their sources of retirement income, assuming they have any to begin with.

So a couple of facts I think are pertinent: First, today only one in five Americans has a defined benefit pension that will last until the day they die—one in five. When I first came to Congress it was one in two. One out of every two Americans had a defined

benefit pension that would last them until the day they died. Now it is one in five, and it is getting less all the time.

Second—and this startles a lot of people—50 percent of the American populace have less than \$10,000 in savings—less than \$10,000. One out of every two Americans has less than \$10,000 in savings. Well, you can see, if you have that when you retire, that is going to be gone pretty soon, so then you are going to rely, again, strictly on Social Security.

So when you put those two facts together—four out of five have no pension, and half have less than \$10,000 in savings—then you see that soon after you retire, the only thing you have left is Social Security.

So it is already hard enough now for millions of people hoping to retire, but then you put chained CPI in there, and you really are hitting the oldest and the poorest.

So, again, I know people are saying: Well, we have to do something to save Social Security for those in the future. Well, I agree with that. That is why whenever I see an honest assessment of Social Security for the future, an honest assessment that says Social Security cannot continue to exist as it is, well, I agree with that—as it is. But then there are two approaches. Do you whack the benefits or do you increase the revenues that come into Social Security?

Two different approaches. You do not have to cut the benefits. In fact, I would say that by talking about chained CPI, the signal you are sending to the younger generation is: Well, maybe when you get there we will whack it some more.

A lot of young people are saying, I do not know if Social Security is going to be there for me when I get that age. When they hear people talking about chained CPI and cutting this, they are right to be worried whether we are going to keep our promise to this next generation that we will have a Social Security system they can rely on and count on.

So what is to be done? Well, last year I introduced legislation that would basically extend the life of the Social Security trust fund to 2050 and give a \$65-a-month increase to every Social Security recipient, and yet extend the life of it for over 18 more years.

How do we do that? Very simply. We raise the wage cap for people who pay into Social Security from \$113,000 a year, which it is now. Over 10 years we raise it and do away with it after 10 years.

There is another approach too. The National Academy of Social Insurance, NASI, did a poll earlier this year. They asked: Would you be willing to go from 6.2 percent paying into Social Security to 7.2 percent, a 1-percent increase over 20 years, if that would help secure Social Security? Seventy percent of Republicans and Democrats said yes. Over 20 years, a 1-percent increase, that is nothing.

But if you were to take that and raise the wage cap, you could increase Social Security payments by \$65 a month and secure Social Security for up to 75 years. It seems to me if you want to send a message to the young people about the sanctity and stability of Social Security, you would say that rather than we are going to cut, we are going to have this so-called chained CPI.

As I said, I know it sounds technical. But it is not technical at all. I once likened chained CPI to an anchor chain. If you are standing on the boat and the anchor chain gets around your ankle and someone throws the anchor overboard, where are you going? You are going down. That is what chained CPI does. The older you get, the more you get hit on. The poorer you are, the more you get hit.

So, again, this idea that we have got to somehow cut benefits, have this chained CPI in order to save Social Security is wrong. It is wrong. There are other ways of doing it that would be widely, broadly supported by the American people. Go out and ask any group, ask any group of seniors, do you think we ought to raise the wage cap so someone who is making \$500,000 a year pays in at the same rate as someone who is making \$50,000 a year? Well, of course. That is not the case now. You make \$50,000 a year, you pay into Social Security on every dime you make. If you make \$500,000 a year, you are only paying in on the first about 20 cents of every dollar you make. After that you do not pay into Social Security.

I think the average American would say, that is not fair. What is good for someone making \$100,000 a year ought to be the same for someone making \$1 million a year. So there are other ways of securing Social Security. This chained CPI sends the wrong message to young people. It exacerbates the concern young people have, is Social Security going to be there when I retire?

I always tell them: Do you believe the U.S. Government will exist when you retire? They say: Well, yes. I say: If that is the case, Social Security will be there, because it is backed by the full faith and credit of the U.S. Government.

What are we supposed to do? Are we supposed to cut that full faith and credit, and tell the young people, it will be there but we may take cuts here and there may be cuts there? What is a young person to think? Am I going to have what I think I am going to be able to have and count on Social Security?

This is a trust. My friend from Vermont is always talking about this is a trust fund. It is a trust. It does not add to the deficit. Think about the word trust. Social Security trust fund. You have got to be able to trust it. Young people need to be able to trust it, that it will be there for them. The best way to undermine that is to go to this chained CPI.

With that, I yield to my good friend who knows this issue better than just about anybody I know and who has fought so hard on behalf of Social Security and keeping that trust fund and keeping the trust in Social Security.

I yield the floor to Senator SANDERS. The PRESIDING OFFICER. The Senator from Vermont.

Mr. SANDERS. I want to thank my colleague Senator HARKIN not only for his fight for seniors and disabled vets on this issue but for his long career in fighting for those people who often do not have a voice here in Washington. The time has come for the Senate to send a very loud and clear message to the American people. It is the message Senator HARKIN has just articulated, that is, we are not going to balance the budget on the backs of the elderly, on the backs of disabled veterans, on the backs of those people who are already, in the midst of this terrible recession, hurting so much.

As chairman of the Senate Veterans Affairs Committee, let me make it very clear that I will do everything I can to make sure we are not balancing the budget on the backs of disabled veterans, men and women who have lost their arms, their legs, and their eyesight defending this country. That is morally unacceptable.

The chained CPI—and this is an important point to make. Sometimes you hear the crescendo inside the beltway, and all of the lobbyists talking: This is the right way to go. But as Senator HARKIN mentioned, go across America, from Iowa to Vermont, California to Maine, the American people are saying in poll after poll: No, do not cut Social Security. Do not cut benefits for disabled vets.

The organizations that represent tens of millions of people are saying the same thing. The American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, the Iraq and Afghanistan Veterans of America, the Gold Star Wives, the Disabled American Veterans, they are on record—and I have submitted their testimony into the CONGRESSIONAL RECORD—they are in opposition to this chained CPI.

But it is not just veterans organizations. The chained CPI is opposed by every major senior citizens group in this country—the AARP, the National Committee to Preserve Social Security and Medicare, the Alliance of Retired Americans, and other groups. The chained CPI is opposed by every major trade union in America, including the AFL-CIO. The chained CPI is opposed by every major disability group in the country. It is opposed by the National Organization for Women because they understand that cutting Social Security impacts women more than it does men.

Maybe once in a while the Senate might want to listen to ordinary Americans, people who do not have well-paid lobbyists, people who do not own the local newspapers, and do what is right for the American people. There are

some who believe that lowering cost-of-living adjustments, COLAs, through the adoption of a so-called chained CPI would be a minor tweak in benefits, hardly worth discussing.

But let's be clear. For millions of disabled veterans and seniors living on fixed incomes, the chained CPI is not a minor tweak. It is a significant benefit cut that will make it harder for permanently disabled veterans and the elderly to feed their families, heat their homes, pay for their prescription drugs, and make ends meet. This misguided proposal must be vigorously opposed.

What I find truly disturbing is that folks such as Treasury Secretary Jack Lew and my Republican colleagues who refer to the chained CPI as "a more accurate measure of inflation." That is their argument.

Senator HARKIN, when I speak to seniors in Vermont and I tell them there are some people in Washington who think the current COLAs are too generous, do you know what invariably happens? They start laughing. They should laugh. Two out of the last 4 years they got zero. I think the last COLA was 1.7 percent. There are some in Washington who think that is too generous.

I ask unanimous consent to have printed in the RECORD a statement from 250 Ph.D. economists and 50 social insurance experts who wrote:

No empirical basis for reducing the Social Security COLA.

No empirical basis.

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

ECONOMIST AND SOCIAL INSURANCE EXPERT  
STATEMENT ON SOCIAL SECURITY COLA

NO EMPIRICAL BASIS FOR REDUCING THE SOCIAL  
SECURITY COLA

November 20, 2012—250 Ph.D. economists and more than 50 social insurance experts with doctorates in related fields oppose proposals to reduce the Social Security cost-of-living adjustment by tying it to an index (the chained CPI-U) that does not reflect the spending patterns of beneficiaries.

As economists and social insurance experts, we agree that the annual Social Security cost-of-living adjustment (COLA) should be based on the most accurate measure possible of the impact of inflation on beneficiaries. For this reason, we oppose proposals to reduce the Social Security COLA by tying it to a chained consumer price index that does not directly measure the actual expenditures of beneficiaries. Such a move would lower the COLA by an estimated 0.3 percentage points per year, translating into a 3 percent benefit cut after 10 years and a 6 percent cut after 20 years. The oldest beneficiaries, who are often the poorest beneficiaries, and persons receiving disability benefits for more than 20 years would see even larger cuts over time.

Arguments in favor of reducing the COLA are premised on the assumption that the current COLA overcorrects for inflation. However, it is just as likely that the current COLA fails to keep up with rising costs confronting elderly and disabled beneficiaries. For historical reasons, the current COLA is based on a consumer price index for workers, excluding retirees and other Social Security

recipients who are not in the labor force. It and other indices based on the spending patterns of workers or the general population likely understate the impact of cost increases faced by Social Security beneficiaries because seniors and disabled people spend a greater share of their incomes on out-of-pocket medical expenses than do other consumers, and health costs have risen faster than overall inflation in recent decades.

A chained price index is supposed to more fully reflect the ability of consumers to substitute cheaper goods and services in response to price changes. Whether or not such substitution preserves consumers' standards of living, different consumers have varying ability to make such adjustments. Since elderly and disabled people spend a greater share of their incomes on necessities such as health care, rent, and utilities, and since this population is also less mobile, a chained COLA based on the spending patterns of workers or the general population may overestimate the ability of Social Security beneficiaries to take advantage of cheaper substitutes.

The actual spending patterns of Social Security beneficiaries have not been comprehensively studied. However, an experimental index computed by the Bureau of Labor Statistics suggests that the current COLA may not keep up with seniors' costs of living. Until direct evidence is gathered, there is no empirical basis for reducing the Social Security COLA, which could exacerbate, rather than correct, an existing problem.

MR. SANDERS. This is what these 250 economists write:

As economists and social insurance experts, we agree that the annual Social Security cost of living adjustment should be based on the most accurate measure possible of the impact of inflation on beneficiaries. For this reason, we oppose proposals to reduce the Social Security COLA by tying it to a chained consumer price index. Arguments in favor of reducing the COLA are premised on the assumption that current COLA overcorrects for inflation. However, it is just as likely that the current COLA fails to keep up with rising costs confronting elderly and disabled beneficiaries.

The reason for that is pretty clear. If you are a senior citizen or disabled vet, the likelihood is you are not buying iPads or flat-screen TVs or other types of things such as that. What are you buying? You are buying health care, you are buying prescription drugs, you are trying to heat your home. For seniors' purchasing habits, in many ways inflation has been higher, not lower, than general inflation. Senator HARKIN made reference to this.

Let's be very clear. There are millions and millions of seniors who are economically struggling, struggling to keep their heads above water to buy the prescription drugs they need, to pay for the health care costs they need, to keep their homes warm in States such as Vermont or Iowa in the winter.

Nearly one-quarter of seniors depend on Social Security benefits for 100 percent of their income. Two-thirds depend on Social Security for a majority of their income. We are talking, and I hear from the White House and else-

where, they are going to protect the poorest of the poor. Well, to my mind, when someone in Vermont is trying to get by on \$15,000 a year, that person needs protection. Anyone who thinks that is a lot of money clearly does not have any sense of what is going on in the real world.

According to the Social Security Administration, under the administration's chained CPI proposal, average 65-year-old retirees would lose \$658 a year in Social Security benefits by their 75th birthday, a cumulative loss of over \$4,500. Once again, I understand that people here go for lunch, take a few friends out, you can spend \$600. But for senior citizens struggling on \$14,000 or \$15,000 a year, \$658 dollars is a lot of money and means the loss, if you do not have that money, of a very basic need.

For veterans, if we go in the route of the chained CPI, disability benefits for veterans at age 30, they would have their benefits reduced by \$1,425 a year; at age 45, \$2,300 a year; at age 55, \$3,200 a year; at age 65, benefits for surviving spouses, the wives who lost their husbands in Iraq and Afghanistan, and their kids would also be cut.

I think as a Senate, as a Congress, we should take a deep, deep breath, if we think we should be balancing the budget on those people who have already given so much to this country.

Let me conclude by again making the point Senator HARKIN so ably made. Many of us want to make sure Social Security is strong not just for the next 20 years in which it can pay out all benefits but for the next 75 years. The way to do that is not to cut benefits; the way to do that is exactly as Senator HARKIN and I and many other people have suggested—that is, understanding that there is something absurd when somebody who makes \$5 million a year contributes the same exact amount of money into the Social Security trust fund as somebody who makes \$113,000 a year.

There are different ways to approach that issue, but by lifting the cap—and do it one way or the other—we can make Social Security solvent for the next 75 years for our kids and for our grandchildren.

The last point—and Senator HARKIN has been a leader on this issue—pointing out about how many Americans have lost their pensions. We are probably in worse shape than at any time in modern history for the average person to go into retirement. Social Security is and has been the pillar for those people. They have lost their pensions, and their 401(k)s have also been troubled. Social Security has been there for the last 75-plus years in good times and bad times. It paid out every nickel owed to every eligible American.

People are nervous about their retirements. Let's stand united and say we are not going to cut Social Security benefits for seniors or disabled vets. There are other ways to go forward and make sure Social Security is strong for the next 75 years.

I yield to the Senator from Iowa.

Mr. HARKIN. Would the Senator yield for a question?

First of all, I thank my colleague from Vermont for being a strong voice on this issue and on so many issues that affect the elderly and especially our veterans. The Senator is the chair of that committee.

I am always curious as to why it is that so many of the dark suits here in Washington are always after Social Security. I don't say there is some ill spirit there, although I will say I think the Senator might agree that there are some who would like to privatize Social Security. We know that. They have said that in the past—or partially privatize it.

It seems to me that so many people who get involved in this think it is just a little nick.

I saw a cartoon of a barber cutting somebody's hair. They had this huge ball of hair, and they were snipping just a couple of little hairs off and saying: That is all we are doing with chained CPI.

They think it is such a small thing. It always occurred to me that those people making the decisions, the dark suits, those are all people who probably have good pensions, good retirement systems. They are never going to want for anything. Yet somehow they just think, well, \$658 bucks—that is not a big deal, up to 75. But, as the Senator pointed out, \$658 in 1 year to someone whose income is \$15,000—that could be a month's worth of food, 6 weeks' worth of food.

Mr. SANDERS. That is right.

Mr. HARKIN. That is a big whack. I would ask the Senator, again, if he has any thoughts—

Mr. SANDERS. I do.

Mr. HARKIN. On why is it that we can't listen to people and come up with another approach on this rather than this chained CPI?

Mr. SANDERS. That is a very important question, and let me answer it in several ways. First thought: let's be clear, we have some colleagues in the House and Senate who believe not just that you should privatize Social Security, not just that you should cut Social Security, they believe the concept of government assistance in terms of retirement or government programs in terms of health care, they believe they are unconstitutional. They don't believe the government should be there. If you are elderly and you have no health care, sorry, you are on your own. That is No. 1.

There is a philosophical belief on the part of some that what government does should be very limited and that we should not be there to make sure that when the elderly people reach retirement age, they have security.

The second point is about the consistency—and this has gone on for years—the long-term opposition to Social Security. Does the Senator know what it is about? It is because Social Security has worked so well. If you

hold the belief that the government is terrible, the government is awful, and the government can't do anything, and if there is a program that for 77 years has paid every nickel owed to every eligible American, has very modest administrative costs, and is very popular among the American people, and you don't believe in government, that is a bad thing. They have to start cutting it and doing away with it.

The third point I would make—again, no secret here—is that we have a significant deficit, and we have choices to make as to how we deal with the deficit.

When we lose \$100 billion every single year because corporations stash their money in the Cayman Islands and in other tax havens, maybe we might want to ask them to start paying their fair share of taxes rather than cutting Social Security. But we have colleagues who are much more interested in the well-being and the profits of large corporations than they are in the needs of seniors.

Those are some of my answers.

Mr. HARKIN. I have a couple of thoughts. I would say to my friend from Vermont, to those who say it is unconstitutional to do those things, I wonder if they ever read the preamble to the Constitution, which is, by the way, part of the Constitution of the United States?

We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare.

That is part of the Constitution of the United States.

Mr. SANDERS. Of course.

Mr. HARKIN. How we do that obviously can vary from time to time, generation to generation, but the idea that we are here to promote the general welfare as a Federal Government is clearly in the Constitution of the United States.

Secondly, the Senator pointed out the idea that Social Security—that this is really a trust fund. People pay into it, and they take out. Now, it has had its problems.

But I ask the Senator, if unemployment today were down to less than 5 percent—say, 4 percent—what would the Social Security trust fund look like?

Mr. SANDERS. It would be much larger than it is right now because more people would be paying into it.

Mr. HARKIN. So the 2033 date—if we make no changes, they say Social Security will pay 100 percent out up until 2033. But if, in fact, we reduce unemployment to less than 5 percent, the Trust Fund will be able to pay full benefits for a longer period of time.

Mr. SANDERS. That is right. I think the point has to be made—and I see Senator DURBIN on the floor as well, and he has made this point—that we can argue about how we go forward on Social Security, but we should be clear: Social Security hasn't contributed a

nickel to the deficit because it is funded by the independent payroll tax.

So it is a reasonable question as to how we make Social Security solvent for 75 years rather than just the next 20 years. That is a good debate. The Senator and I have similar ideas on how we should tackle that issue. But it should not be considered as part of the deficit reduction effort. And it disturbs me very much because the administration has acknowledged that reality and we have heard them over the years say: Yes, we want to deal with Social Security but not part of deficit reduction. It bothers me that they have now injected Social Security into the deficit reduction debate.

Mr. HARKIN. There is one last thing I would say. The Senator mentioned that we have a deficit. We do. We have to address it. We all agree with that. The Senator pointed out that the offshore haven businesses are not paying their fair share of taxes.

I would like to ask Senator SANDERS one other question. Isn't it a fact—well, the estimates vary; \$1 trillion is not stretching the truth—to say that the war in Iraq cost us somewhere close to \$1 trillion?

Mr. SANDERS. I would say that most estimates suggest that. If you look at both Iraq and Afghanistan, it may be three times that number.

Mr. HARKIN. I don't know, but I have seen estimates up to \$1 trillion for Iraq only. That was all borrowed money, so that has to be paid back.

Mr. SANDERS. Yes.

Mr. HARKIN. So are we going to make the elderly, the poor, the students, and the veterans pay for that?

Mr. SANDERS. I would say the Senator makes a very good point. And I often point out to my Republican friends that I think you are looking at yourself and me as some of the major deficit hawks.

Our friends today who want to cut Social Security in the name of deficit reduction apparently didn't have a problem with the deficit when they went to war in Iraq and Afghanistan without paying for those wars and when they gave huge tax breaks to the wealthiest people in this country without offsetting those tax breaks.

The Senator's point is very well taken.

Mr. HARKIN. I thank the Senator.

Mr. SANDERS. I yield the floor.

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 741. Mr. REID (for Mr. ENZI (for himself, Mr. DURBIN, Mr. ALEXANDER, and Ms. HEITKAMP)) proposed an amendment to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes.

SA 742. Mrs. SHAHEEN (for herself and Ms. AYOTTE) submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 743. Mr. THUNE submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 744. Ms. COLLINS (for herself and Mr. KING) submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 745. Mr. DURBIN proposed an amendment to amendment SA 741 proposed by Mr. REID (for Mr. ENZI (for himself, Mr. DURBIN, Mr. ALEXANDER, and Ms. HEITKAMP)) to the bill S. 743, supra.

SA 746. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 747. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 748. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 749. Mr. TOOMEY submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 750. Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 751. Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 752. Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 753. Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 754. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 755. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 756. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 757. Mrs. SHAHEEN (for herself, Mr. WYDEN, Mr. BAUCUS, and Mr. TESTER) submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 758. Ms. AYOTTE (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 759. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 760. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 761. Ms. AYOTTE (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 762. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 763. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 743, supra; which was ordered to lie on the table.

SA 764. Mr. THUNE submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 765. Mr. COATS submitted an amendment intended to be proposed by him to the

bill S. 743, supra; which was ordered to lie on the table.

SA 766. Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 767. Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 768. Mr. LEE (for himself and Ms. AYOTTE) submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 769. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

SA 770. Mr. BARRASSO submitted an amendment intended to be proposed by him to the bill S. 743, supra; which was ordered to lie on the table.

#### TEXT OF AMENDMENTS

**SA 741.** Mr. REID (for Mr. ENZI (for himself, Mr. DURBIN, Mr. ALEXANDER, and Ms. HEITKAMP)) proposed an amendment to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; as follows:

Beginning on page 2, line 10, strike "if the Streamlined" and all that follows through page 11, line 5, and insert the following:

if any changes to the Streamlined Sales and Use Tax Agreement made after the date of the enactment of this Act are not in conflict with the minimum simplification requirements in subsection (b)(2). A State may exercise authority under this Act beginning 180 days after the State publishes notice of the State's intent to exercise the authority under this Act, but no earlier than the first day of the calendar quarter that is at least 180 days after the date of the enactment of this Act.

(b) **ALTERNATIVE.**—A State that is not a Member State under the Streamlined Sales and Use Tax Agreement is authorized notwithstanding any other provision of law to require all sellers not qualifying for the small seller exception described in subsection (c) to collect and remit sales and use taxes with respect to remote sales sourced to that State, but only if the State adopts and implements the minimum simplification requirements in paragraph (2). Such authority shall commence beginning no earlier than the first day of the calendar quarter that is at least 6 months after the date that the State—

(1) enacts legislation to exercise the authority granted by this Act—

(A) specifying the tax or taxes to which such authority and the minimum simplification requirements in paragraph (2) shall apply; and

(B) specifying the products and services otherwise subject to the tax or taxes identified by the State under subparagraph (A) to which the authority of this Act shall not apply; and

(2) implements each of the following minimum simplification requirements:

(A) Provide—

(i) a single entity within the State responsible for all State and local sales and use tax administration, return processing, and audits for remote sales sourced to the State;

(ii) a single audit of a remote seller for all State and local taxing jurisdictions within that State; and

(iii) a single sales and use tax return to be used by remote sellers to be filed with the single entity responsible for tax administration.

A State may not require a remote seller to file sales and use tax returns any more frequently than returns are required for nonremote sellers or impose requirements on remote sellers that the State does not impose on nonremote sellers with respect to the collection of sales and use taxes under this Act. No local jurisdiction may require a remote seller to submit a sales and use tax return or to collect sales and use taxes other than as provided by this paragraph.

(B) Provide a uniform sales and use tax base among the State and the local taxing jurisdictions within the State pursuant to paragraph (1).

(C) Source all remote sales in compliance with the sourcing definition set forth in section 4(7).

(D) Provide—

(i) information indicating the taxability of products and services along with any product and service exemptions from sales and use tax in the State and a rates and boundary database;

(ii) software free of charge for remote sellers that calculates sales and use taxes due on each transaction at the time the transaction is completed, that files sales and use tax returns, and that is updated to reflect rate changes as described in subparagraph (H); and

(iii) certification procedures for persons to be approved as certified software providers.

For purposes of clause (iii), the software provided by certified software providers shall be capable of calculating and filing sales and use taxes in all States qualified under this Act.

(E) Relieve remote sellers from liability to the State or locality for the incorrect collection, remittance, or noncollection of sales and use taxes, including any penalties or interest, if the liability is the result of an error or omission made by a certified software provider.

(F) Relieve certified software providers from liability to the State or locality for the incorrect collection, remittance, or noncollection of sales and use taxes, including any penalties or interest, if the liability is the result of misleading or inaccurate information provided by a remote seller.

(G) Relieve remote sellers and certified software providers from liability to the State or locality for incorrect collection, remittance, or noncollection of sales and use taxes, including any penalties or interest, if the liability is the result of incorrect information or software provided by the State.

(H) Provide remote sellers and certified software providers with 90 days notice of a rate change by the State or any locality in the State and update the information described in subparagraph (D)(i) accordingly and relieve any remote seller or certified software provider from liability for collecting sales and use taxes at the immediately preceding effective rate during the 90-day notice period if the required notice is not provided.

(c) **SMALL SELLER EXCEPTION.**—A State is authorized to require a remote seller to collect sales and use taxes under this Act only if the remote seller has gross annual receipts in total remote sales in the United States in the preceding calendar year exceeding \$1,000,000. For purposes of determining whether the threshold in this section is met, the gross annual receipts from remote sales of 2 or more persons shall be aggregated if—

(1) such persons are related to the remote seller within the meaning of subsections (b) and (c) of section 267 or section 707(b)(1) of the Internal Revenue Code of 1986; or

(2) such persons have 1 or more ownership relationships and such relationships were designed with a principal purpose of avoiding the application of these rules.

**SEC. 3. LIMITATIONS.**

(a) IN GENERAL.—Nothing in this Act shall be construed as—

(1) subjecting a seller or any other person to franchise, income, occupation, or any other type of taxes, other than sales and use taxes;

(2) affecting the application of such taxes; or

(3) enlarging or reducing State authority to impose such taxes.

(b) NO EFFECT ON NEXUS.—This Act shall not be construed to create any nexus or alter the standards for determining nexus between a person and a State or locality.

(c) NO EFFECT ON SELLER CHOICE.—Nothing in this Act shall be construed to deny the ability of a remote seller to deploy and utilize a certified software provider of the seller's choice.

(d) LICENSING AND REGULATORY REQUIREMENTS.—Nothing in this Act shall be construed as permitting or prohibiting a State from—

(1) licensing or regulating any person;

(2) requiring any person to qualify to transact intrastate business;

(3) subjecting any person to State or local taxes not related to the sale of products or services; or

(4) exercising authority over matters of interstate commerce.

(e) NO NEW TAXES.—Nothing in this Act shall be construed as encouraging a State to impose sales and use taxes on any products or services not subject to taxation prior to the date of the enactment of this Act.

(f) NO EFFECT ON INTRASTATE SALES.—The provisions of this Act shall apply only to remote sales and shall not apply to intrastate sales or intrastate sourcing rules. States granted authority under section 2(a) shall comply with all intrastate provisions of the Streamlined Sales and Use Tax Agreement.

(g) NO EFFECT ON MOBILE TELECOMMUNICATIONS SOURCING ACT.—Nothing in this Act shall be construed as altering in any manner or preempting the Mobile Telecommunications Sourcing Act (4 U.S.C. 116-126).

**SEC. 4. DEFINITIONS AND SPECIAL RULES.**

In this Act:

(1) CERTIFIED SOFTWARE PROVIDER.—The term “certified software provider” means a person that—

(A) provides software to remote sellers to facilitate State and local sales and use tax compliance pursuant to section 2(b)(2)(D)(ii); and

(B) is certified by a State to so provide such software.

(2) LOCALITY; LOCAL.—The terms “locality” and “local” refer to any political subdivision of a State.

(3) MEMBER STATE.—The term “Member State”—

(A) means a Member State as that term is used under the Streamlined Sales and Use Tax Agreement as in effect on the date of the enactment of this Act; and

(B) does not include any associate member under the Streamlined Sales and Use Tax Agreement.

(4) PERSON.—The term “person” means an individual, trust, estate, fiduciary, partnership, corporation, limited liability company, or other legal entity, and a State or local government.

(5) REMOTE SALE.—The term “remote sale” means a sale into a State, as determined under the sourcing rules under paragraph (7), in which the seller would not legally be required to pay, collect, or remit State or local sales and use taxes unless provided by this Act.

(6) REMOTE SELLER.—The term “remote seller” means a person that makes remote sales in the State.

(7) SOURCED.—For purposes of a State granted authority under section 2(b), the location to which a remote sale is sourced refers to the location where the product or service sold is received by the purchaser, based on the location indicated by instructions for delivery that the purchaser furnishes to the seller. When no delivery location is specified, the remote sale is sourced to the customer's address that is either known to the seller or, if not known, obtained by the seller during the consummation of the transaction, including the address of the customer's payment instrument if no other address is available. If an address is unknown and a billing address cannot be obtained, the remote sale is sourced to the address of the seller from which the remote sale was made. A State granted authority under section 2(a) shall comply with the sourcing provisions of the Streamlined Sales and Use Tax Agreement.

(8) STATE.—The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States, and any tribal organization (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)).

**SA 742.** Mrs. SHAHEEN (for herself and Ms. AYOTTE) submitted an amendment intended to be proposed by her to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 7, between lines 8 and 9, insert the following:

(d) EXCEPTION FOR REMOTE SELLERS INCORPORATED IN STATES THAT DO NOT HAVE SALES TAX.—A State is not authorized to require a remote seller to collect sales and use taxes under this Act if the remote seller is incorporated in a State that does not collect sales and use taxes with respect to products and services sold in such State.

**SA 743.** Mr. THUNE submitted an amendment intended to be proposed by him to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 2, beginning on line 12, strike “A State” and all that follows through line 17 and insert the following:

A State may exercise authority under this subsection—

(1) in the case of a State which has adopted or ratified the Streamlined Sales and Use Tax Agreement after December 31, 2010, beginning 90 days after the State publishes notice of the State's intent to exercise the authority under this Act, but no earlier than the first calendar quarter that is at least 90 days after the date of the enactment of this Act; and

(2) in the case of a State which has adopted or ratified the Streamlined Sales and Use Tax Agreement before January 1, 2011, beginning after the date the State enacts legislation to exercise the authority granted under this Act, but no earlier than the first calendar quarter that is at least 90 days after the date of the enactment of this Act.

**SA 744.** Ms. COLLINS (for herself and Mr. KING) submitted an amendment in-

tended to be proposed by her to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. . . . LIMITATION ON INITIAL COLLECTION OF SALES AND USE TAXES FROM REMOTE SALES.**

Notwithstanding the last sentence of section 2(a) or the second sentence of section 2(b), a State may not begin to exercise the authority under this Act—

(1) before the date that is 1 year after the date of the enactment of this Act; and

(2) during the period beginning on October 1 and ending on December 31 of any calendar year.

**SA 745.** Mr. DURBIN proposed an amendment to amendment SA 741 proposed by Mr. REID (for Mr. ENZI (for himself, Mr. DURBIN, Mr. ALEXANDER, and Ms. HEITKAMP)) to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; as follows:

At the end, add the following:

This Act shall become effective 1 day after enactment.

**SA 746.** Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 7, between lines 8 and 9, insert the following:

(d) COMPENSATION FOR COMPLIANCE COSTS.—

(1) IN GENERAL.—In the case of a non-sales tax state remote seller that collects and remits sales and use taxes to a State pursuant to the authority granted under this Act, such State shall fully reimburse the seller for any costs or expenses related to the collection and remittance of such taxes (as determined pursuant to paragraph (2)).

(2) DETERMINATION OF REIMBURSEMENT RATE.—For purposes of this subsection, the rate and method of reimbursement shall be determined by the Secretary of the Treasury, pursuant to such criteria as are determined appropriate by the Secretary.

(3) DEFINITION.—For purposes of this subsection, the term “non-sales tax state remote seller” means a remote seller that is headquartered in and has a majority of its full-time employees located in a State that does not maintain a statewide sales tax or equivalent use tax.

**SA 747.** Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. 7. DEDUCTION FOR COSTS OF COMPLIANCE.**

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by adding at the end the following new section:

**“SEC. 199A. DEDUCTION FOR COSTS OF COMPLIANCE UNDER THE MARKETPLACE FAIRNESS ACT.**

“(a) IN GENERAL.—If a non-sales tax state remote seller (as defined in subsection (b))

elects the application of this section, such seller shall be allowed a deduction for the taxable year equal to 1 percent of annual gross receipts.

“(b) DEFINITION.—The term ‘non-sales tax state remote seller’ means a remote seller (as defined in section 4(6) of the Marketplace Fairness Act of 2013) that is headquartered in and has a majority of its full-time employees located in a State that does not maintain a statewide sales tax or equivalent use tax.

“(c) DENIAL OF DOUBLE BENEFIT.—In the case of a non-sales tax state remote seller that elects application of this section, no deduction shall be allowed for any expense related to the collection and remittance of sales and use taxes pursuant to the requirements of the Marketplace Fairness Act of 2013 for which a deduction is allowed to the seller under any other provision of this chapter.”.

(b) CLERICAL AMENDMENTS.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end the following new item:

“Sec. 199A. Deduction of costs of compliance.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

**SA 748.** Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 6, strike line 18 and all that follows through page 7, line 8, and insert the following:

(c) SMALL SELLER EXCEPTION.—

(1) IN GENERAL.—A State is authorized to require a remote seller to collect sales and use taxes under this Act only if the remote seller has gross annual receipts in total remote sales in the United States in the preceding calendar year exceeding the applicable amount (as determined under paragraph (2)). For purposes of determining whether the applicable amount in this subsection is met—

(A) the sales of all persons related within the meaning of subsections (b) and (c) of section 267 or section 707(b)(1) of the Internal Revenue Code of 1986 shall be aggregated; or

(B) persons with 1 or more ownership relationships shall also be aggregated if such relationships were designed with a principal purpose of avoiding the application of these rules.

(2) APPLICABLE AMOUNT.—For purposes of paragraph (1), the applicable amount for the preceding calendar year shall be equal to—

- (A) for 2012 and 2013, \$5,000,000;
- (B) for 2014, \$4,000,000;
- (C) for 2015, \$3,000,000; and
- (D) for 2016, \$2,000,000.

**SA 749.** Mr. TOOMEY submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 6, line 22, strike “\$1,000,000” and insert “\$10,000,000”.

**SA 750.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ PROPERLY REDUCING OVEREXEMPTIONS FOR SPORTS ACT.**

(a) IN GENERAL.—This section may be cited as the “Properly Reducing Overexemptions for Sports Act” or the “PRO Sports Act”.

(b) FINDINGS.—Congress makes the following findings:

(1) The National Football League (NFL), National Hockey League (NHL), PGA Tour, and Ladies Professional Golf Association (LPGA) each have league offices that are registered with the Internal Revenue Service as non-profit organizations under section 501(c)(6) of the Internal Revenue Code of 1986.

(2) League-wide operations of the NFL, NHL, PGA Tour, and LPGA generate an estimated \$13 billion in annual revenue, and these businesses are unmistakably organized for profit and to promote their brands.

(3) Separate from their subsidiaries, the nonprofit league offices of the NFL, NHL, PGA Tour, and LPGA had annual gross receipts of \$184.3 million, \$89.1 million, \$1.4 billion, and \$73.7 million in 2010, respectively, for a combined total of over \$1.7 billion, according to each organization’s publicly available Form 990 filed with the Internal Revenue Service.

(4) According to the Internal Revenue Service, section 501(c)(6) of the Internal Revenue Code of 1986 is for groups looking to promote a “common business interest and not to engage in a regular business of a kind ordinarily carried on for profit”.

(5) According to the Internal Revenue Service, businesses that conduct operations for profit on a “cooperative basis” should not qualify for tax-exempt treatment under section 501(c)(6) of the Internal Revenue Code of 1986.

(c) ELIMINATION OF SPECIFIC EXEMPTION FOR PROFESSIONAL FOOTBALL LEAGUES.—Paragraph (6) of section 501(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking “, or professional football leagues (whether or not administering a pension fund for football players)”, and

(2) by inserting “or” after “real-estate boards,”.

(d) SPECIAL RULES RELATING TO PROFESSIONAL SPORTS LEAGUES.—Section 501 of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subsection (s) as subsection (t), and

(2) by inserting after subsection (r) the following new subsection:

“(s) SPECIAL RULES RELATING TO PROFESSIONAL SPORTS LEAGUES.—No organization or entity shall be treated as described in subsection (c)(6) if such organization or entity—

“(1) is a professional sports league, organization, or association, a substantial activity of which is to foster national or international professional sports competitions (including by managing league business affairs, officiating or providing referees, coordinating schedules, managing sponsorships or broadcast sales, operating loan programs for competition facilities, or overseeing player conduct) and

“(2) has annual gross receipts in excess of \$10,000,000.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

**SA 751.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ REPORT ON THE ABUSE OF TAX-EXEMPT STATUS BY CHARITABLE ORGANIZATIONS.**

Not later than 120 days after the date of the enactment of this Act, the Secretary of Treasury, or the Secretary’s delegate, shall submit to Congress a report on organizations that are described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of the Internal Revenue Code of 1986. Such report shall include information on the following:

(1) The number of such organizations at the time of the report and the number of organizations 10 years prior to that time.

(2) The number of such organizations that have had the exemption from tax under section 501(a) of the Internal Revenue Code of 1986 revoked in each year after 2007.

(3) The number and nature of allegations of problems made to the Internal Revenue Service with respect to such organizations that were founded by prominent athletes, and a description of any actions taken by the Internal Revenue Service in response to any such allegations.

(4) A description of the challenges to the Internal Revenue Services in overseeing such organizations.

(5) The number of criminal investigations of such organizations conducted by the Internal Revenue Service during the period beginning in 2010 and ending on the date the report is submitted.

(6) An explanation of any problems the Internal Revenue Service has had with United States Attorneys in prosecuting any criminal violations by such organizations.

**SA 752.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. 7. ELIMINATION OF DEDUCTIONS FOR MILLIONAIRES AND BILLIONAIRES.**

(a) NO MORTGAGE INTEREST DEDUCTION FOR MILLIONAIRES AND BILLIONAIRES.—Section 163(h)(4) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(G) NO DEDUCTION FOR MILLIONAIRES AND BILLIONAIRES.—No deduction shall be allowed by reason of paragraph (2)(D) for any taxable year with respect to any taxpayer with an adjusted gross income equal to or greater than \$1,000,000 for such taxable year.”.

(b) NO RENTAL EXPENSE DEDUCTION FOR MILLIONAIRES AND BILLIONAIRES.—Section 212 of the Internal Revenue Code of 1986 is amended by adding at the end the following new flush sentence:

“Paragraph (2) shall not apply for any taxable year with respect to any taxpayer with an adjusted gross income equal to or greater than \$1,000,000 for such taxable year.”.

(c) NO GAMBLING LOSS DEDUCTION FOR MILLIONAIRES AND BILLIONAIRES.—Section 165(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“In the case of a taxpayer with an adjusted gross income equal to or greater than \$1,000,000 for the taxable year, the preceding sentence shall not apply for any taxable year.”.

(d) NO DISCHARGE OF INDEBTEDNESS DEDUCTION FOR MILLIONAIRES AND BILLIONAIRES.—Section 108 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(j) NO DEDUCTION FOR MILLIONAIRES AND BILLIONAIRES.—No exclusion shall be allowed by reason of this section for any taxable year

with respect to any taxpayer with an adjusted gross income equal to or greater than \$1,000,000 for such taxable year.”

(e) NO ELECTRIC PLUG-IN VEHICLE TAX CREDIT FOR MILLIONAIRES AND BILLIONAIRES.—Section 30D(f) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(8) NO CREDIT FOR MILLIONAIRES AND BILLIONAIRES.—No credit described in subsection (c)(2) shall be allowed under this section for any taxable year with respect to any taxpayer with an adjusted gross income equal to or greater than \$1,000,000 for such taxable year.”

(f) NO HOUSEHOLD AND DEPENDENT CARE CREDIT FOR MILLIONAIRES AND BILLIONAIRES.—Section 21 of the Internal Revenue Code of 1986 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

“(f) NO CREDIT FOR MILLIONAIRES AND BILLIONAIRES.—No credit shall be allowed under this section for any taxable year with respect to any taxpayer with an adjusted gross income equal to or greater than \$1,000,000 for such taxable year.”

(g) NO RESIDENTIAL ENERGY EFFICIENT PROPERTY CREDIT FOR MILLIONAIRES AND BILLIONAIRES.—Section 25D(e) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(9) NO CREDIT FOR MILLIONAIRES AND BILLIONAIRES.—No credit shall be allowed under this section for any taxable year with respect to any taxpayer with an adjusted gross income equal to or greater than \$1,000,000 for such taxable year.”

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

**SA 753.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . INELIGIBILITY OF PERSONS HAVING SERIOUSLY DELINQUENT TAX DEBTS FOR FEDERAL EMPLOYMENT.**

(a) IN GENERAL.—Chapter 73 of title 5, United States Code, is amended by adding at the end the following:

“SUBCHAPTER VIII—INELIGIBILITY OF PERSONS HAVING SERIOUSLY DELINQUENT TAX DEBTS FOR FEDERAL EMPLOYMENT

“§ 7381. Ineligibility of persons having seriously delinquent tax debts for Federal employment

“(a) DEFINITIONS.—For purposes of this section—

“(1) the term ‘seriously delinquent tax debt’ means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code, except that such term does not include—

“(A) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code; and

“(B) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending; and

“(2) the term ‘Federal employee’ means—

“(A) an employee, as defined by section 2105; and

“(B) an employee of the United States Postal Service or of the Postal Regulatory Commission.

“(b) INELIGIBILITY FOR FEDERAL EMPLOYMENT.—An individual who has a seriously delinquent tax debt shall be ineligible to be appointed, or to continue serving, as a Federal employee.

“(c) REGULATIONS.—The Office of Personnel Management shall, for purposes of carrying out this section with respect to the executive branch, prescribe any regulations which the Office considers necessary.”

(b) CLERICAL AMENDMENT.—The analysis for chapter 73 of title 5, United States Code, is amended by adding at the end the following:

“SUBCHAPTER VIII—INELIGIBILITY OF PERSONS HAVING SERIOUSLY DELINQUENT TAX DEBTS FOR FEDERAL EMPLOYMENT

“§ 7381. Ineligibility of persons having seriously delinquent tax debts for Federal employment.”

**SA 754.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 11, strike lines 18 through 23 and insert the following

**SEC. \_\_\_\_ . TERMINATION OF AUTHORITY.**

No State shall be authorized to require sellers to collect and remit sales and use taxes with respect to remote sales sourced in such State after the date that is 5 years after the date of the enactment of this Act.

**SEC. \_\_\_\_ . REQUIREMENT FOR 3-YEAR STATUTE OF LIMITATIONS.**

No State shall be authorized to require sellers to collect and remit sales and use taxes with respect to remote sales sourced to that State under subsection (a) or (b) of section 2 unless such State adopts and implements a requirement providing that no proceeding in court may begin for any failure by a remote seller to collect or remit sales and use taxes under the authority of this Act after the date that is 3 years after the date on which such tax was required to be remitted.

**SEC. \_\_\_\_ . STUDY ON COSTS OF COMPLIANCE.**

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study on—

(1) the costs incurred by remote sellers in complying with any requirements imposed by States pursuant to the authority granted under this Act; and

(2) whether, and under what circumstances, the authority granted under this Act allows States to impose taxes on financial transactions or contributions to retirement savings vehicles.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall report to the Committee on Finance of the Senate and the Committee on the Judiciary of the House of Representatives on the results of the study conducted under subsection (a).

**SEC. \_\_\_\_ . EXCEPTION FOR DIGITAL GOODS.**

(a) IN GENERAL.—The authority granted under section 2 shall not apply to remote sales of digital goods.

(b) DIGITAL GOODS.—For purposes of this section, the term “digital good” means any good or product that is delivered or transferred electronically, including software, information maintained in digital format, digital audio-visual works, digital audio works, and digital books.

**SEC. \_\_\_\_ . REQUIREMENT FOR REMOTE SELLER COMPENSATION.**

(a) IN GENERAL.—No State shall be authorized to require sellers to collect and remit

sales and use taxes with respect to remote sales sourced to that State under subsection (a) or (b) of section 2 unless such State adopts and implements a requirement providing a remote seller compensation for the collection and remission of sales and use taxes in an amount not less than the applicable percentage of the amount of such taxes collected by the remote seller.

(b) APPLICABLE PERCENTAGE.—For purposes of subsection (a), the applicable percentage is—

(1) for any tax collected during the period of beginning on the date the State first exercises the authority under this Act and ending on the date that is 2 years after such date, 10 percent;

(2) for any tax collected during the period beginning on the first day after the period described in paragraph (1) ends and ending on the date that is 2 years after such date, 8 percent;

(3) for any tax collected during the period beginning on the first day after the period described in paragraph (2) ends and ending on the date that is 1 year after such date, 6 percent; and

(4) for any tax collected after the period described in paragraph (3) ends, 0 percent.

**SEC. \_\_\_\_ . INCREASE AND INFLATION ADJUSTMENT TO THRESHOLD FOR SMALL SELLER EXCEPTION.**

(a) INCREASE IN THRESHOLD.—Section 2(c) shall be applied by substituting “\$10,000,000” for “\$1,000,000”.

(b) INFLATION ADJUSTMENT.—

(1) IN GENERAL.—In the case of a calendar year beginning after 2013, the \$10,000,000 amount under subsection (a) shall be increased by an amount equal to—

(A) such dollar amount, multiplied by

(B) the cost-of-living adjustment determined under section 1(f)(3) of the Internal Revenue Code of 1986 for the calendar year, determined by substituting ‘calendar year 2012’ for ‘calendar year 1992’ in subparagraph (B) thereof.

(2) ROUNDING.—If any amount as adjusted under paragraph (1) is not a multiple of \$10,000, such amount shall be rounded to the next lowest multiple of \$10,000.

**SA 755.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, insert the following:

**SEC. \_\_\_\_ . REDUCTION IN CORPORATE TAX RATE.**

(a) IN GENERAL.—Subsection (b) of section 11 of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) AMOUNT OF TAX.—The amount of tax imposed by subsection (a) shall be the sum of—

“(1) 15 percent of so much of the taxable income as does not exceed \$50,000, and

“(2) 25 percent of so much of the taxable income as exceeds \$50,000.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

**SA 756.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, insert the following:

**SEC. \_\_\_\_ . REPEAL OF ESTATE AND GIFT TAXES.**

(a) **IN GENERAL.**—Subtitle B of the Internal Revenue Code of 1986 is hereby repealed.

(b) **EFFECTIVE DATE.**—The repeal made by paragraph (1) shall apply to the estates of decedents dying, and gifts and generation-skipping transfers made, after December 31, 2013.

**SA 757.** Mrs. SHAHEEN (for herself, Mr. WYDEN, Mr. BAUCUS, and Mr. TESTER) submitted an amendment intended to be proposed by her to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 7, between lines 8 and 9, insert the following:

(c) **LIMITATION.**—

(1) **IN GENERAL.**—The authority granted under subsections (a) and (b) shall not apply with respect to any remote seller that is not a qualifying remote seller.

(2) **QUALIFYING REMOTE SELLER.**—For purposes of this subsection—

(A) **IN GENERAL.**—The term “qualifying remote seller” means—

(i) any remote seller that meets the ownership requirements of subparagraph (B); or

(ii) any remote seller the majority of domestic employees of which are primarily employed at a location in a participating State.

(B) **OWNERSHIP REQUIREMENTS.**—A remote seller meets the ownership requirements of this subparagraph if—

(i) in the case of a remote seller that is a publicly traded corporation, more than 50 percent of the covered employees (as defined in section 162(m)(3)) of the Internal Revenue Code of 1986 of such corporation reside in participating States;

(ii) in the case of a remote seller that is a corporation (other than a publicly traded corporation), more than 50 percent of the stock (by vote or value) of such corporation is held by individuals residing in participating States;

(iii) in the case of a remote seller that is a partnership, more than 50 percent of the profits interests or capital interests in such partnership is held by individuals residing in participating States; and

(iv) in the case of any other remote seller, more than 50 percent of the beneficial interests in the entity is held by individuals residing in participating States.

(C) **ATTRIBUTION RULES.**—For purposes of subparagraph (B), the rules of section 318(a) of the Internal Revenue Code of 1986 shall apply.

(D) **AGGREGATION RULES.**—For purposes of this paragraph, all persons treated as a single employer under subsection (a) or (b) of section 52 of the Internal Revenue Code of 1986 or subsection (m) or (o) of section 414 of such Code shall be treated as one person.

(3) **PARTICIPATING STATE.**—The term “participating State” means—

(A) a Member State under the Streamlined Sales and Use Tax Agreement which has exercised authority under subsection (a); or

(B) a State that—

(i) is not a Member State under the Streamlined Sales and Use Tax Agreement; and

(ii) has met the requirements of paragraphs (1) and (2) of subsection (b) for exercising the authority granted under such subsection.

**SA 758.** Ms. AYOTTE (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed by her to the bill S. 743, to restore States' sovereign rights to enforce State and local

sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 4, line 9, insert “A State may not require a remote seller to transfer any data that such State requests for an audit unless a State in which the remote seller is located first authorizes such transfer.” after “paragraph.”.

**SA 759.** Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 7, between lines 8 and 9, insert the following:

(d) **ADDITIONAL REQUIREMENT TO REDUCE INCOME OR BUSINESS TAXES.**—No State shall be authorized to require sellers to collect and remit sales and use taxes with respect to remote sales sourced to that State under subsection (a) or (b) unless such State has enacted into law a requirement that the revenue collected by such State from income or business taxes be reduced by the amount of any revenue collected and remitted to such State by reason of the authority granted under such subsections.

**SA 760.** Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 7, between lines 8 and 9, insert the following:

(d) **EXEMPTION FOR BUSINESSES AFFECTED BY THE PATIENT PROTECTION AND AFFORDABLE CARE ACT.**—A State is not authorized to require a remote seller to collect sales and use taxes under this Act if the remote seller submits to the Secretary of the Treasury certification, under penalty of perjury, that, as a result of the Patient Protection and Affordable Care Act (Public Law 11-148), the remote seller—

(1) is subject to higher health care premiums for its employees; or

(2) is unable to hire new employees.

**SA 761.** Ms. AYOTTE (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed by her to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . PROHIBITION ON TAXPAYER BAILOUTS TO STATES EXERCISING AUTHORITY UNDER THIS ACT.**

Notwithstanding any other provision of law, no Federal funds may be used to purchase or guarantee obligations of, issue lines of credit to, provide direct or indirect access to any financing provided by the United States Government to, or provide direct or indirect grants and aid to, any State government, municipal government, local government, or county government that has exercised authority under this Act and which, on or after the date of enactment of this Act, has defaulted on its obligations, is at risk of defaulting, or is likely to default, absent such assistance from the United States Government.

**SA 762.** Ms. AYOTTE submitted an amendment intended to be proposed by

her to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. 7. PUBLIC REFERENDUM REQUIREMENT.**

A State shall not be authorized under this Act to require sellers to collect and remit sales and use taxes with respect to remote sales sourced to that State unless the citizens of the State in which the remote seller is located have voted, by a referendum or other means under the laws of such State, to approve the exercise of such authority.

**SA 763.** Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . PROHIBITION ON COLLECTION OF PERSONALIZED DATA BY FEDERAL AGENCIES.**

A Federal agency shall not collect or otherwise maintain any record that contains personalized data and is generated in connection with the collection and remittance of sales and use taxes from remote sellers under the authority granted under this Act.

**SA 764.** Mr. THUNE submitted an amendment intended to be proposed by him to the bill S. 743, to restore States' sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, insert the following:

**TITLE II—DIGITAL GOODS AND SERVICES TAX FAIRNESS**

**SEC. 201. SHORT TITLE.**

This title may be cited as the “Digital Goods and Services Tax Fairness Act of 2013”.

**SEC. 202. MULTIPLE AND DISCRIMINATORY TAXES PROHIBITED.**

No State or local jurisdiction shall impose multiple or discriminatory taxes on the sale or use of a digital good or a digital service.

**SEC. 203. SOURCING LIMITATION.**

Subject to section 206(a), taxes on the sale of a digital good or a digital service may only be imposed by a State or local jurisdiction whose territorial limits encompass the customer tax address.

**SEC. 204. CUSTOMER TAX ADDRESS.**

(a) **SELLER OBLIGATION.**—

(1) **IN GENERAL.**—Subject to subsection (e)(2), a seller shall be responsible for obtaining and maintaining in the ordinary course of business the customer tax address with respect to the sale of a digital good or a digital service, and shall be responsible for collecting and remitting the correct amount of tax for the State and local jurisdictions whose territorial limits encompass the customer tax address if the State has the authority to require such collection and remittance by the seller.

(2) **CERTAIN TRANSACTIONS.**—When a customer tax address is not a business location of the seller under clause (i) of section 207(2)(A)—

(A) if the sale is a separate and discrete transaction, then a seller shall use reasonable efforts to obtain a customer tax address, as such efforts are described in clauses (iii), (iv), and (v) of section 207(2)(A), before resorting to using a customer tax address as

determined by clause (vi) of such section 207(2)(A); and

(B) if the sale is not a separate and discrete transaction, then a seller shall use reasonable efforts to obtain a customer tax address, as such efforts are described in clauses (ii), (iii), (iv), and (v) of section 207(2)(A), before resorting to using a customer tax address as determined by clause (vi) of such section 207(2)(A).

(b) RELIANCE ON CUSTOMER-PROVIDED INFORMATION.—A seller that relies in good faith on information provided by a customer to determine a customer tax address shall not be held liable for any additional tax based on a different determination of that customer tax address by a State or local jurisdiction or court of competent jurisdiction, except if and until binding notice is given as provided in subsection (c).

(c) ADDRESS CORRECTION.—If a State or local jurisdiction is authorized under State law to administer a tax, and the jurisdiction determines that the customer tax address determined by a seller is not the customer tax address that would have been determined under section 207(2)(A) if the seller had the additional information provided by the State or local jurisdiction, then the jurisdiction may give binding notice to the seller to correct the customer tax address on a prospective basis, effective not less than 45 days after the date of such notice, if—

(1) when the determination is made by a local jurisdiction, such local jurisdiction obtains the consent of all affected local jurisdictions within the State before giving such notice of determination; and

(2) before the State or local jurisdiction gives such notice of determination, the customer is given an opportunity to demonstrate in accordance with applicable State or local tax administrative procedures that the address used is the customer tax address.

(d) COORDINATION WITH SOURCING OF MOBILE TELECOMMUNICATIONS SERVICE.—

(1) IN GENERAL.—If—

(A) a digital good or a digital service is sold to a customer by a home service provider of mobile telecommunications service that is subject to being sourced under section 117 of title 4, United States Code, or the charges for a digital good or a digital service are billed to the customer by such a home service provider; and

(B) the digital good or digital service is delivered, transferred, or provided electronically by means of mobile telecommunications service that is deemed to be provided by such home service provider under section 117 of such title,

then the home service provider and, if different, the seller of the digital good or digital service, may presume that the customer's place of primary use for such mobile telecommunications service is the customer tax address described in section 207(2)(B) with respect to the sale of such digital good or digital service.

(2) DEFINITIONS.—For purposes of this subsection, the terms “home service provider”, “mobile telecommunications service”, and “place of primary use” have the same meanings as in section 124 of title 4, United States Code.

(e) MULTIPLE LOCATIONS.—

(1) IN GENERAL.—If a digital good or a digital service is sold to a customer and available for use by the customer in multiple locations simultaneously, the seller may determine the customer tax addresses using a reasonable and consistent method based on the addresses of use as provided by the customer and determined in agreement with the customer at the time of sale.

(2) DIRECT CUSTOMER PAYMENT.—

(A) ESTABLISHMENT OF DIRECT PAYMENT PROCEDURES.—Each State and local jurisdic-

tion shall provide reasonable procedures that permit the direct payment by a qualified customer, as determined under procedures established by the State or local jurisdiction, of taxes that are on the sale of digital goods and digital services to multiple locations of the customer and that would, absent such procedures, be required or permitted by law to be collected from the customer by the seller.

(B) EFFECT OF CUSTOMER COMPLIANCE WITH DIRECT PAYMENT PROCEDURES.—When a qualified customer elects to pay tax directly under the procedures established under subparagraph (A), the seller shall—

(i) have no obligation to obtain the multiple customer tax addresses under subsection (a); and

(ii) not be liable for such tax, provided the seller follows the State and local procedures and maintains appropriate documentation in its books and records.

#### SEC. 205. TREATMENT OF BUNDLED TRANSACTIONS AND DIGITAL CODES.

(a) BUNDLED TRANSACTION.—If a charge for a distinct and identifiable digital good or a digital service is aggregated with and not separately stated from one or more charges for other distinct and identifiable goods or services, which may include other digital goods or digital services, and any part of the aggregation is subject to taxation, then the entire aggregation may be subject to taxation, except to the extent that the seller can identify, by reasonable and verifiable standards, one or more charges for the nontaxable goods or services from its books and records kept in the ordinary course of business.

(b) DIGITAL CODE.—The tax treatment of the sale of a digital code shall be the same as the tax treatment of the sale of the digital good or digital service to which the digital code relates.

(c) RULE OF CONSTRUCTION.—The sale of a digital code shall be considered the sale transaction for purposes of this title.

#### SEC. 206. NO INFERENCE.

(a) CUSTOMER LIABILITY.—Subject to the prohibition provided in section 202, nothing in this title modifies, impairs, supersedes, or authorizes the modification, impairment, or supersession of any law allowing a State or local jurisdiction to impose tax on and collect tax directly from a customer based upon use of a digital good or digital service in such State.

(b) NON-TAX MATTERS.—This title shall not be construed to apply in, or to affect, any non-tax regulatory matter or other context.

(c) STATE TAX MATTERS.—The definitions contained in this title are intended to be used with respect to interpreting this title. Nothing in this title shall prohibit a State or local jurisdiction from adopting different nomenclature to enforce the provisions set forth in this title.

#### SEC. 207. DEFINITIONS.

In this title, the following definitions shall apply:

(1) CUSTOMER.—The term “customer” means a person that purchases a digital good, digital service, or digital code.

(2) CUSTOMER TAX ADDRESS.—

(A) IN GENERAL.—The term “customer tax address” means—

(i) with respect to the sale of a digital good or digital service that is received by the customer at a business location of the seller, such business location;

(ii) if clause (i) does not apply and the primary use location of the digital good or digital service is known by the seller, such location;

(iii) if neither clause (i) nor clause (ii) applies, and if the location where the digital good or digital service is received by the cus-

tommer, or by a donee of the customer that is identified by such customer, is known to the seller and maintained in the ordinary course of the seller's business, such location;

(iv) if none of clauses (i) through (iii) applies, the location indicated by an address for the customer that is available from the business records of the seller that are maintained in the ordinary course of the seller's business, when use of the address does not constitute bad faith;

(v) if none of clauses (i) through (iv) applies, the location indicated by an address for the customer obtained during the consummation of the sale, including the address of a customer's payment instrument, when use of this address does not constitute bad faith; or

(vi) if none of clauses (i) through (v) applies, including the circumstance in which the seller is without sufficient information to apply such paragraphs, the location from which the digital good was first available for transmission by the seller (disregarding for these purposes any location that merely provides for the digital transfer of the product sold), or from which the digital service was provided by the seller.

(B) EXCLUSION.—For purposes of this paragraph, the term “location” does not include the location of a server, machine, or device, including an intermediary server, that is used simply for routing or storage.

(3) DELIVERED OR TRANSFERRED ELECTRONICALLY; PROVIDED ELECTRONICALLY.—The term “delivered or transferred electronically” means the delivery or transfer by means other than tangible storage media, and the term “provided electronically” means the provision remotely via electronic means.

(4) DIGITAL CODE.—The term “digital code” means a code that conveys only the right to obtain a digital good or digital service without making further payment.

(5) DIGITAL GOOD.—The term “digital good” means any software or other good that is delivered or transferred electronically, including sounds, images, data, facts, or combinations thereof, maintained in digital format, where such good is the true object of the transaction, rather than the activity or service performed to create such good, and includes, as an incidental component, charges for the delivery or transfer of the digital good.

(6) DIGITAL SERVICE.—

(A) IN GENERAL.—The term “digital service” means any service that is provided electronically, including the provision of remote access to or use of a digital good, and includes, as an incidental component, charges for the electronic provision of the digital service to the customer.

(B) EXCEPTIONS.—The term “digital service” does not include a service that is predominantly attributable to the direct, contemporaneous expenditure of live human effort, skill, or expertise, a telecommunications service, an ancillary service, Internet access service, audio or video programming service, or a hotel intermediary service.

(C) CLARIFYING DEFINITIONS.—For purposes of subparagraph (B)—

(i) the term “ancillary service” means a service that is associated with or incidental to the provision of telecommunications services, including, but not limited to, detailed telecommunications billing, directory assistance, vertical service, and voice mail services;

(ii) the term “audio or video programming service” —

(I) means programming provided by, or generally considered comparable to programming provided by, a radio or television broadcast station; and

(II) does not include interactive on-demand services, as defined in paragraph (12) of section 602 of the Communications Act of 1934 (47 U.S.C. 522(12)), pay-per-view services, or services generally considered comparable to such services regardless of the technology used to provide such services;

(iii) the term “hotel intermediary service”—

(I) means a service provided by a person that facilitates the sale, use, or possession of a hotel room or other transient accommodation to the general public; and

(II) does not include the purchase of a digital service by a person who provides a hotel intermediary service or by a person who owns, operates, or manages hotel rooms or other transient accommodations;

(iv) the term “Internet access service” means a service that enables users to connect to the Internet, as defined in the Internet Tax Freedom Act (47 U.S.C. 151 note), to access content, information, or other services offered over the Internet; and

(v) the term “telecommunications service”—

(I) means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points;

(II) includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing, without regard to whether such service is referred to as voice over Internet protocol service; and

(III) does not include data processing and information services that allow data to be generated, acquired, stored, processed, or retrieved and delivered by an electronic transmission to a purchaser where such purchaser’s primary purpose for the underlying transaction is the processed data or information.

(7) **DISCRIMINATORY TAX.**—The term “discriminatory tax” means any tax imposed by a State or local jurisdiction on digital goods or digital services that—

(A) is not generally imposed and legally collectible by such State or local jurisdiction on transactions involving similar property, goods, or services accomplished through other means;

(B) is not generally imposed and legally collectible at the same or higher rate by such State or local jurisdiction on transactions involving similar property, goods, or services accomplished through other means;

(C) imposes an obligation to collect or pay the tax on a person, other than the seller, than the State or local jurisdiction would impose in the case of transactions involving similar property, goods, or services accomplished through other means;

(D) establishes a classification of digital services or digital goods providers for purposes of establishing a higher tax rate to be imposed on such providers than the tax rate generally applied to providers of similar property, goods, or services accomplished through other means; or

(E) does not provide a resale and component part exemption for the purchase of digital goods or digital services in a manner consistent with the State’s resale and component part exemption applicable to the purchase of similar property, goods, or services accomplished through other means.

(8) **MULTIPLE TAX.**—

(A) **IN GENERAL.**—The term “multiple tax” means any tax that is imposed by one State, one or more of that State’s local jurisdictions, or both on the same or essentially the same digital goods and digital services that is also subject to tax imposed by another State, one or more local jurisdictions in such

other State (whether or not at the same rate or on the same basis), or both, without a credit for taxes paid in other jurisdictions.

(B) **EXCEPTION.**—The term “multiple tax” shall not include a tax imposed by a State and one or more political subdivisions thereof on the same digital goods and digital services or a tax on persons engaged in selling digital goods and digital services which also may have been subject to a sales or use tax thereon.

(9) **PRIMARY USE LOCATION.**—

(A) **IN GENERAL.**—The term “primary use location” means a street address representative of where the customer’s use of a digital good or digital service will primarily occur, which shall be the residential street address or a business street address of the actual end user of the digital good or digital service, including, if applicable, the address of a donee of the customer that is designated by the customer.

(B) **CUSTOMERS THAT ARE NOT INDIVIDUALS.**—For the purpose of subparagraph (A), if the customer is not an individual, the primary use location is determined by the location of the customer’s employees or equipment (machine or device) that make use of the digital good or digital service, but does not include the location of a person who uses the digital good or digital service as the purchaser of a separate good or service from the customer.

(10) **SALE AND PURCHASE.**—The terms “sale” and “purchase”, and all variations thereof, shall include the provision, lease, rent, license, and corresponding variations thereof.

(11) **SELLER.**—

(A) **IN GENERAL.**—The term “seller” means a person making sales of digital goods or digital services.

(B) **EXCEPTIONS.**—A person that provides billing service or electronic delivery or transport service on behalf of another unrelated or unaffiliated person, with respect to the other person’s sale of a digital good or digital service, shall not be treated as a seller of that digital good or digital service.

(C) **RULE OF CONSTRUCTION.**—Nothing in this paragraph shall preclude the person providing the billing service or electronic delivery or transport service from entering into a contract with the seller to assume the tax collection and remittance responsibilities of the seller.

(12) **SEPARATE AND DISCRETE TRANSACTION.**—The term “separate and discrete transaction” means a sale of a digital good, digital code, or a digital service sold in a single transaction which does not involve any additional charges or continued payment in order to maintain possession of the digital good or access to the digital service.

(13) **STATE OR LOCAL JURISDICTION.**—The term “State or local jurisdiction” means any of the several States, the District of Columbia, any territory or possession of the United States, a political subdivision of any State, territory, or possession, or any governmental entity or person acting on behalf of such State, territory, possession, or subdivision and with the authority to assess, impose, levy, or collect taxes.

(14) **TAX.**—

(A) **IN GENERAL.**—The term “tax” means any charge imposed by any State or local jurisdiction for the purpose of generating revenues for governmental purposes, including any tax, charge, or fee levied as a fixed charge or measured by gross amounts charged, regardless of whether such tax, charge, or fee is imposed on the seller or the customer and regardless of the terminology used to describe the tax, charge, or fee.

(B) **EXCLUSIONS.**—The term “tax” does not include an ad valorem tax, a tax on or measured by capital, a tax on or measured by net income, apportioned gross income, appor-

tioned revenue, apportioned taxable margin, or apportioned gross receipts, or, a State or local jurisdiction business and occupation tax imposed on a broad range of business activity in a State that enacted a State tax on gross receipts after January 1, 1932, and before January 1, 1936.

**SEC. 208. EFFECTIVE DATE; APPLICATION.**

(a) **GENERAL RULE.**—This title shall take effect 60 days after the date of enactment of this title.

(b) **EXCEPTIONS.**—A State or Local jurisdiction shall have 2 years from the date of enactment of this title to modify any State or local tax statute enacted prior to date of enactment of this title to conform to the provisions set forth in sections 204 and 205 of this title.

(c) **APPLICATION TO LIABILITIES AND PENDING CASES.**—Nothing in this title shall affect liability for taxes accrued and enforced before the effective date of this title, or affect ongoing litigation relating to such taxes.

**SEC. 209. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW.**

Not later than 3 years after the date of the enactment of this title, the Comptroller General of the United States shall carry out, and submit to Congress a report on the results of, a study that identifies—

(1) which specific statutes and regulations of each State are invalidated as a result of this title; and

(2) the amount of revenue lost (if any) by such State (and local government of such State) by the effect of this title on each such statute and each such regulation so affected.

**SEC. 210. SAVINGS PROVISION.**

If any provision or part of this title is held to be invalid or unenforceable by a court of competent jurisdiction for any reason, such holding shall not affect the validity or enforceability of any other provision or part of this title unless such holding substantially limits or impairs the essential elements of this title, in which case this title shall be deemed invalid and of no legal effect as of the date that the judgment on such holding is final and no longer subject to appeal.

**SA 765.** Mr. COATS submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. . . . TERMINATION OF AUTHORITY.**

No State shall be authorized to require sellers to collect and remit sales and use taxes with respect to remote sales that occur after December 31, 2018.

**SA 766.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SECTION 7. PROHIBITING USE OF PRESIDENTIAL ELECTION CAMPAIGN FUNDS FOR PARTY CONVENTIONS.**

(a) **IN GENERAL.**—Chapter 95 of the Internal Revenue Code of 1986 is amended by striking section 9008.

(b) **CLERICAL AMENDMENT.**—The table of sections of chapter 95 of such Code is amended by striking the item relating to section 9008.

(c) **CONFORMING AMENDMENTS.**—

(1) **AVAILABILITY OF PAYMENTS TO CANDIDATES.**—The third sentence of section

9006(c) of the Internal Revenue Code of 1986 is amended by striking “, section 9008(b)(3).”.

(2) REPORTS BY FEDERAL ELECTION COMMISSION.—Section 9009(a) of such Code is amended—

(A) by adding “and” at the end of paragraph (2);

(B) by striking the semicolon at the end of paragraph (3) and inserting a period; and

(C) by striking paragraphs (4), (5), and (6).

(3) PENALTIES.—Section 9012 of such Code is amended—

(A) in subsection (a)(1), by striking the second sentence; and

(B) in subsection (c), by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(4) AVAILABILITY OF PAYMENTS FROM PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT.—The second sentence of section 9037(a) of such Code is amended by striking “and for payments under section 9008(b)(3).”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after December 31, 2012.

**SA 767.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . PREVENTING THE CREATION OF DUPLICATIVE AND OVERLAPPING FEDERAL PROGRAMS.**

(a) REPORTED LEGISLATION.—Paragraph 11 of rule XXVI of the Standing Rules of the Senate is amended—

(1) in subparagraph (c), by striking “and (b)” and inserting “(b), and (c)”;

(2) by redesignating subparagraph (c) and subparagraph (d); and

(3) by inserting after subparagraph (b) the following:

“(c) The report accompanying each bill or joint resolution of a public character reported by any committee (including the Committee on Appropriations and the Committee on the Budget) shall contain—

“(1) an analysis by the Congressional Research Service to determine if the bill or joint resolution creates any new Federal program, office, or initiative that would duplicate or overlap any existing Federal program, office, or initiative with similar mission, purpose, goals, or activities along with a listing of all of the overlapping or duplicative Federal program or programs, office or offices, or initiative or initiatives; and

“(2) an explanation provided by the committee as to why the creation of each new program, office, or initiative is necessary if a similar program or programs, office or offices, or initiative or initiatives already exist.”.

(b) CONSIDERATION OF LEGISLATION.—Rule XVII of the Standing Rules of the Senate is amended by inserting at the end thereof the following:

“6. (a) It shall not be in order in the Senate to proceed to any bill or joint resolution unless the committee of jurisdiction has prepared and posted on the committee website an overlapping and duplicative programs analysis and explanation for the bill or joint resolution as described in subparagraph (b) prior to proceeding.

“(b) The analysis and explanation required by this subparagraph shall contain—

“(1) an analysis by the Congressional Research Service to determine if the bill or joint resolution creates any new Federal program, office, or initiative that would dupli-

cate or overlap any existing Federal program, office, or initiative with similar mission, purpose, goals, or activities along with a listing of all of the overlapping or duplicative Federal program or programs, office or offices, or initiative or initiatives; and

“(2) an explanation provided by the committee as to why the creation of each new program, office, or initiative is necessary if a similar program or programs, office or offices, or initiative or initiatives already exist.

“(c) This paragraph may be waived by joint agreement of the Majority Leader and the Minority Leader of the Senate upon their certification that such waiver is necessary as a result of—

“(1) a significant disruption to Senate facilities or to the availability of the Internet; or

“(2) an emergency as determined by the leaders.”.

**SA 768.** Mr. LEE (for himself and Ms. AYOTTE) submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

On page 7, between lines 8 and 9, insert the following:

(d) REQUIREMENT TO ENACT REMOTE SELLER LIABILITY DEFENSE LAWS.—

(1) IN GENERAL.—No State shall be authorized to require sellers to collect and remit sales and use taxes with respect to remote sales sourced to that State under subsection (a) or (b) unless such State has enacted a law which provides remote sellers protection, through an affirmative defense to an action brought by the State or any locality within the State, from liability with respect to sales and use taxes required to be collected and remitted to the State under the authority granted by this Act.

(2) EXCEPTION.—A State or locality may overcome the affirmative defense described in paragraph (1) only if it carries its burden of establishing that—

(A) it has directly notified the remote seller of the obligation to collect and remit sales and use taxes and such remote seller has received such notification;

(B) it directly provided software from a certified software provider and appropriate training on using such software; and

(C) the remote seller has failed to use the software provided by the State.

**SA 769.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . PROTECTING ONLINE SALES INTERMEDIARIES FROM ACTIONS IN CONNECTION WITH CERTAIN VIOLATIONS OF PRIVACY.**

(a) IN GENERAL.—Online sales intermediaries shall not be subject to—

(1) criminal or civil actions by a State or locality in connection with the refusal to transfer information relating to sales records in connection with the enforcement of sales and use taxes on remote sellers who do not have a legal nexus to the State or locality, except in cases where such action relates to a court order, a warrant, or compliance with an ongoing criminal investigation relating to an individual case; and

(2) actions by remote sellers or customers relating to the transfer of any such records covered by an exception to paragraph (1).

(b) NO INFERENCE.—Nothing in this Act shall be construed as authorizing States or localities to impose record keeping requirements on online sales intermediaries or remote sellers who have no nexus to the State or locality.

**SA 770.** Mr. BARRASSO submitted an amendment intended to be proposed by him to the bill S. 743, to restore States’ sovereign rights to enforce State and local sales and use tax laws, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. 7. SENSE OF THE SENATE REGARDING RETIREMENT SAVINGS.**

(a) FINDINGS.—Congress makes the following findings:

(1) The Social Security Board of Trustees projects that the combined Old-Age and Survivors Insurance (OASI) and the Disability Insurance (DI) trust funds will be exhausted by 2033.

(2) The Social Security Board of Trustees also projects that after the OASI and DI trust funds are exhausted, incoming receipts will only be able to cover around 75 percent of the scheduled annual benefits in 2033.

(3) Employer-based retirement savings, personal savings, and Social Security can combine to provide Americans with meaningful income replacement upon retirement.

(4) Defined contribution plans have a substantial impact on interstate commerce and are affected with a national interest.

(5) 67,000,000 participants are currently covered by approximately 670,000 private sector-defined contribution plans.

(6) The President’s budget proposal for fiscal year 2014 seeks to “limit an individual’s total balance across tax-preferred accounts to an amount sufficient to finance an annuity of not more than \$205,000 per year in retirement, or about \$3,000,000 for someone retiring in 2013.”.

(7) The President’s proposal targets private sector-defined contribution plans while providing no cap on government-defined benefit and pension plans.

(8) Savings in traditional retirement accounts are invested and grow tax free, but the money is fully taxed during the withdrawal phase.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Government of the United States—

(1) should not endeavor to define reasonable levels of retirement savings for individuals and their families;

(2) should not limit the balances of traditional IRA, Roth IRA, 401(k), and defined contribution plans; and

(3) should encourage individuals to responsibly save and invest for their retirement.

**AUTHORITY FOR COMMITTEES TO MEET**

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on April 24, 2013, at 2:30 p.m., in room 253 of the Russell Senate Office Building.

The Committee will hold a hearing entitled, “A Status Update on the Development of Voluntary Do-Not-Track Standards.”

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

## COMMITTEE ON FINANCE

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on April 24, 2013, at 10 a.m., in room 215 of the Dirksen Senate Office Building, to conduct a hearing entitled "The Trans-Pacific Partnership: Opportunities and Challenges."

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

## COMMITTEE ON FOREIGN RELATIONS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on April 24, 2013, at 10 a.m., to hold a hearing entitled, "International Development Priorities in the FY 2014 Budget."

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

## COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet, during the session of the Senate, to conduct a hearing entitled "The Economic Importance of Financial Literacy Education For Students" on April 23, 2013, at 2:30 pm, in room 430 of the Dirksen Senate Office Building.

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

## COMMITTEE ON INDIAN AFFAIRS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on April 24, 2013, in room SD-628 of the Dirksen Senate Office Building, at 2:30 p.m., to conduct a hearing entitled "The President's Fiscal Year 2014 Budget for Tribal Programs."

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

## COMMITTEE ON THE JUDICIARY

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on April 24, 2013, at 2:30 p.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled "Judicial Nominations."

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

## COMMITTEE ON VETERANS' AFFAIRS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on April 24, 2013, at 10 a.m. in room SR-418 of the Russell Senate Office Building, to conduct a hearing entitled "Call to Action: VA Outreach and Community Partnerships."

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

## SPECIAL COMMITTEE ON AGING

Mr. DURBIN. Mr. President, I ask unanimous consent that the Special

Committee on Aging be authorized to meet during the session of the Senate on April 24, 2013, to conduct a hearing entitled "The National Plan to Address Alzheimer's Disease: Are We On Track to 2015?"

The Committee will meet in room 106 of the Dirksen Senate Office Building beginning at 2 p.m.

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

## SUBCOMMITTEE ON AIRLAND

Mr. DURBIN. Mr. President, I ask unanimous consent that the Subcommittee on Airland of the Armed Services Committee be authorized to meet during the session of the Senate on April 24, 2013, at 3 p.m.

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

## SUBCOMMITTEE ON FINANCIAL AND CONTRACTING OVERSIGHT

Mr. DURBIN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Financial and Contracting Oversight be authorized to meet during the session of the Senate on April 24, 2013, at 10 a.m. to conduct a hearing entitled "Oversight and Business Practices of Durable Medical Equipment Companies."

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

## SUBCOMMITTEE ON PERSONNEL

Mr. DURBIN. Mr. President, I ask unanimous consent that the Subcommittee on Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on April 24, 2013, at 10 a.m.

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

## SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. DURBIN. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on April 24, 2013, at 2:30 p.m.

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

## SUBCOMMITTEE ON STRATEGIC FORCES

Mr. DURBIN. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on April 24, 2013, at 2:30 p.m.

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

## PRIVILEGES OF THE FLOOR

Mr. DURBIN. Mr. President, on behalf of Senator COONS, I ask unanimous consent that Amitai Bin-Nun, a fellow in his office, be granted floor privileges for Thursday, April 25.

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

Mr. HARKIN. Mr. President, I ask unanimous consent that Sheerin Gryloo, Elizabeth McCauley, and Anna

Porto of my staff be granted floor privileges for the duration of today's session.

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

## RESOLUTIONS SUBMITTED TODAY

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration, en bloc, of the following resolutions, which were submitted earlier today: S. Res. 111, S. Res. 112, S. Res. 113, and S. Res. 114.

There being no objection, the Senate proceeded to consider the resolutions en bloc.

## S. RES. 114

Mr. REID. Mr. President, S. Res. 114 concerns a request for testimony, documents and representation in a federal criminal action pending in Arizona Federal district court. The prosecution and defense have requested the production of a limited number of documents and testimony, if necessary, from current and former employees of the Offices of Senator JOHN MCCAIN and former Senator Jon Kyl. Senator MCCAIN and former Senator Kyl would like to cooperate with these requests by authorizing the production of relevant documents and employee testimony from their offices.

The enclosed resolution would authorize the production of relevant documents and employee testimony from the offices of Senator MCCAIN and former Senator Kyl. It would also authorize the Senate Legal Counsel to represent any current or former employees of those offices from whom evidence may be sought in this case.

Mr. WHITEHOUSE. I ask unanimous consent the resolutions be agreed to, the preambles be agreed to, the motions to reconsider be laid upon the table en bloc, with no intervening action or debate.

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

The resolutions were agreed to.

The preambles were agreed to.

(The resolutions, with their preambles, are printed in today's RECORD under "Submitted Resolutions.")

MEASURE READ THE FIRST  
TIME—S. 799

Mr. WHITEHOUSE. I understand there is a bill at the desk. I ask for its first reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 799) to provide for a sequester replacement.

Mr. WHITEHOUSE. I now ask for a second reading and in order to place the bill on the calendar under the provisions of rule XIV, I object to my own request.

The ACTING PRESIDENT pro tempore. Objection having been heard, the

bill will receive a second reading on the next legislative day.

ORDERS FOR THURSDAY, APRIL  
25, 2013

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Thursday, April 25, 2013; that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, and the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate be in a period of morning business until 10:30 a.m., with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees with the majority con-

trolling the first half and the Republicans controlling the final half; further, that following morning business, the Senate recess for 1 hour to allow for a Senators-only briefing; and that when the Senate reconvenes, the Senate resume consideration of S. 743, the Marketplace Fairness Act.

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

PROGRAM

Mr. WHITEHOUSE. Mr. President, I have been asked to inform the body that the filing deadline for all first-degree amendments to S. 743 is 1 p.m. tomorrow. Unless an agreement is reached, the cloture vote on S. 743 will occur on Friday morning.

ADJOURNMENT UNTIL 9:30 A.M.  
TOMORROW

Mr. WHITEHOUSE. If there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 6:34 p.m., adjourned until Thursday, April 25, 2013 at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 24, 2013:

THE JUDICIARY

JANE KELLY, OF IOWA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT.

EXECUTIVE OFFICE OF THE PRESIDENT

SYLVIA MATHEWS BURWELL, OF WEST VIRGINIA, TO BE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET.