

**SENATE—Monday, September 13, 2010**

The Senate met at 2:30 p.m. and was called to order by the Honorable JEFF MERKLEY, a Senator from the State of Oregon.

PRAYER

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

Let us pray.

You reign, O God, over the nations of our turbulent world. You alone subdue the winds and the rain with a word from Your mouth. As we return from recess and open this session with prayer, we are reminded that life on Earth is a gift that allows us to live for Your glory. Lord, we are humbled by the manifold blessings You pour out in this Nation and are grateful for Your protection and provision. Speak Your dreams into our hearts and unite us by the power of Your spirit.

Give our Senators the wisdom needed to enact laws that keep America great. As they begin the hard work of implementing past decisions, grant them patience, endurance, energy, and unity. Help them, Lord, to grow in their respect and esteem for one another and for all who belong to this large Senate family.

We pray in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JEFF MERKLEY 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. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, September 13, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JEFF MERKLEY, a Senator from the State of Oregon, to perform the duties of the Chair.

DANIEL K. INOUE,  
President pro tempore.

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

RECOGNITION OF THE MAJORITY  
LEADER

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

SCHEDULE

Mr. REID. Mr. President, I welcome you and all of our colleagues and all the staff back from our 5-week work period at home.

We have a lot of work to do. Following any leader remarks, there will be a period of morning business until 3:30 p.m., with Senators allowed to speak for up to 10 minutes each. Following morning business, the Senate will proceed to executive session to consider the nomination of Jane Stranch to be a circuit court judge for the Sixth Circuit. There will be up to 2 hours for debate equally divided and controlled between Senators LEAHY and SESSIONS or their designees. At 5:30 p.m., we will proceed to vote on confirmation of the Stranch nomination.

As a reminder to Senators, before the recess, cloture was filed on the small business jobs bill. The filing deadline for first-degree amendments to the substitute and the bill is 3 p.m. today. At 11 a.m. tomorrow, there will be up to three cloture votes relating to the small business jobs bill. The cloture votes will be on the Johanns amendment No. 4596, the Nelson of Florida amendment No. 4595—both relating to 1099 forms—and on the substitute amendment to H.R. 5297.

SEPTEMBER WORK PERIOD

Mr. REID. Mr. President, as I said, I welcome back all my colleagues from all corners of the country. I am sure every Senator enjoyed spending time with their constituents as much as I did. I am sure all are eager to get back to the business of legislating.

The work period we begin today is an important one. Like every work period, it represents a new opportunity to move past the partisan stalemates of recent months and find common ground on our most pressing priority: putting people back to work. I hope the weeks between now and Columbus Day will be productive weeks. There really is no reason they should not be. The issues we will be dealing with are not partisan or ideological. They have the support of Democratic, Republican, and Independent Senators. They have the support of Democratic, Republican, and Independent constituents. All of us have a common obligation and a shared

interest in doing all we can to get our economy moving again.

If we were to adopt a slogan to guide us in the coming weeks, I would nominate something a colleague of ours said just a few days ago. The senior Senator from Ohio, Mr. GEORGE VOINOVICH, a Republican, was talking last week about the standoffs that have stalled the Senate—gridlock that has kept us in recent months from realizing our ability and fulfilling our responsibility to help small businesses. He said:

We don't have time for messaging. We don't have time anymore. This country is really hurting.

Senator VOINOVICH is right. Small businesses across Nevada are hurting. Small businesses across my friend's State of Ohio are hurting. Small businesses across the State of Oregon are hurting. All over this country, they are hurt, from coast to coast, because credit and capital are too hard to come by. The owners of these businesses are not interested in partisan rhetoric, and neither are the people they have had to lay off or the unemployed they have had to turn away. People in Nevada and throughout the Nation are too busy keeping track of their business's books or their family budgets to keep track of who is scoring political points. They are not interested in any of that. They are simply desperate for us to do our jobs, and that is to help create jobs.

That is what the first vote Senators will cast tomorrow is all about. Tomorrow, we will decide whether to move ahead with a bill that helps more small businesses be the engine that runs our economy. When most Americans go to work in the morning—or whenever they go to work during the day—they do not go to big corporations with famous names. They go to work at small businesses. But those businesses are also the ones that have paid the highest price in Wall Street's recession. Two out of every three jobs we have lost came from small businesses.

Our bill is not a new one, and tomorrow will not be the first time we voted on it. But to refresh my colleagues' memories, let me briefly remind everyone what is in it.

One, it cuts small business taxes so they can hire and grow.

Two, it increases Small Business Administration loan limits, which gets money flowing to the entrepreneurs who create jobs.

Three, it makes it easier for small businesses to export what they make.

Four, among other things, it creates a new lending fund that will give small

banks, community banks—and, by extension, small businesses—more capital to invest.

Most importantly, this bill will create jobs, up to 500,000—half a million jobs. But every day we delay, the opposite happens. Small businesses are holding off hiring while they wait for us to act. Banks large and small are holding on to their capital while they are waiting for us to act. And half a million Americans who want to work, people who are ready to get off unemployment and get back to jobs they so desperately need, are desperate for us to get our act together.

We need to go to work. As the Republican Senator from Florida, Mr. LEMIEUX, said when we last debated this bill—remember, Senator LEMIEUX is a Republican. He said it should get the support of more than 80 Senators. As my friend the Republican Senator from Ohio said: We do not have time anymore for political games. Our citizens are hurting too much.

I yield the floor.

---

#### RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Senate Republican leader is recognized.

---

#### THE ECONOMY

Mr. McCONNELL. Mr. President, for the last 19 months, the American people have waited patiently for the Obama administration and Democrats in Congress to help them turn the economy around. And time and time again, the administration and its allies in Congress have turned a deaf ear. Rather than implement the policies that would free up capital, lead to investment, and create good, lasting, private sector jobs, Democrats in Congress have passed one sweeping government-driven scheme after another and then asked taxpayers to put it on their tab.

A stimulus bill that was supposed to be timely, targeted, and temporary turned out to be a liberal wish list instead. Instead of stimulating the economy and keeping unemployment below 8 percent, as promised, we stand here today with nearly 10 percent unemployment nationwide and many more Americans struggling to find full-time work. A health care bill that was supposed to lower costs is doing the opposite. As I have repeatedly said in the past and as a new government report confirmed just last week, the President's health care plan will bend the cost curve up, not down. A financial regulatory bill that was supposed to protect Main Street is being embraced by some of the biggest players on Wall Street, while smalltown bankers and retailers brace themselves for the costly and burdensome rules and regula-

tions it will impose on them. Every one of these bills came at a steep price to the taxpayer, and until now, Democrats have been content to borrow the money, to simply pile it onto the debt.

Now comes the second half of the story, the final piece of their agenda—the part where they point to all that spending and demand payment for it, where they try to make it all permanent. Democrats spent the last 2 years putting government in charge of health care, the financial sector, car companies, insurance companies, student loans—you name it. Now they want the tax hike to pay for it all. Americans asked the administration to fix the sink, and they remodeled the house instead. Now they are sending us the bill.

That was the plan all along: force these massive programs through, drive up the debt, call it a crisis, and then demand that people pay their “fair share” to dig us out. It starts with small business owners, but I assure you it will not stop there because if Democrats spend this much money in the middle of a recession, they will borrow and spend even more once we are out of it. The President admitted as much just last week on national television when he said the tax hike he is asking for will not be used to pay for any of the things he has already done. He will use the money from these tax hikes to spend on other things, on “better things,” as he put it. We have seen the so-called better things Democrats want to spend tax money on—a stimulus bill that is funding research on interpretive dance and monkeys, a health care bill that cut Medicare and increased premiums, and a financial regulatory bill that hires more of the same kinds of Washington bureaucrats who missed the last crisis. Americans have had it. They are tired of Democratic leaders in Washington pursuing the same government-driven programs that have done nothing but add to the debt and the burden of government.

We cannot allow this administration to demand that small business owners in this country pay for its own fiscal recklessness. That is why I am introducing legislation today that ensures no one in this country will pay higher income taxes next year than they are right now. We cannot let the people who have been hit the hardest by this recession and who need to create the jobs that will get us out of it foot the bill for the Democrats' 2-year adventure in expanded government. We can't allow America's job creators to pay for Democrats' out-of-control spending over the past 2 years any more than we can allow Main Street to pay for the greed of Wall Street. Wall Street should pay for its own excesses. So should the administration and Democratic leaders in Washington.

The good news is there is a growing chorus of Democrats, at least five right here in the Senate, who are coming

around on this issue. They oppose the tax hikes the administration is proposing. As Senator LIEBERMAN put it earlier today:

I don't think it makes sense to raise any Federal taxes during the uncertain economy we are struggling through. The more money we leave in private hands, the quicker our economic recovery will be.

That was Senator LIEBERMAN today. I couldn't agree more. Only in Washington could someone propose a tax hike as an antidote to a recession.

This is no small tax hike. The tax hike the administration is proposing, according to the IRS, would apply to half of all small business income in this country. An analysis by the National Federation of Independent Business shows that businesses that employ 20 to 250 people would be the hardest hit. All told, according to the non-partisan Joint Committee on Taxation, right at 750,000 small businesses would be impacted by this tax increase.

Here is the bottom line: No recovery will take place until the government stops overspending. No recovery will take place until government stops imposing new regulations and costs on business. No recovery will take place if we impose new taxes on the people we need to create jobs. Democratic leaders need to listen to what the American people have been shouting at us for the last 19 months: The reckless spending has to stop. So far, they have made no concrete concessions, but now it is time they join Republicans, stand up to the administration, and declare that the spending spree is over. That is the first step on the road to recovery.

As for the next step, Republicans stood together before the August recess and put together a plan that would save taxpayers \$300 billion over the next 10 years. That is a good place to start.

So Democrats have a choice. They can stand with us on this proposal and show they finally realize we cannot spend our way out of the recession or they can continue to stand with an administration whose policies—real and threatened—represent the greatest obstacle to our Nation's economic recovery.

Let's face it. The Democratic agenda has been disastrous for the economy: 2½ million jobs lost, \$2.5 trillion more in debt, more job-stifling regulations, mandates, and redtape, and now they want to drive another nail in the coffin—a massive tax hike on the very people who will dig us out of this recession by expanding their businesses and creating jobs.

Republicans are offering a choice: more of the same or the new direction the American people are asking for.

I yield the floor.

---

#### RESERVATION OF LEADER TIME

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