

what this country has a responsibility to do: ratify this treaty, and do it soon.

Mr. President, I yield the floor.

#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

#### FDA FOOD SAFETY MODERNIZATION ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 510, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 510) to amend the Federal Food, Drug, and Cosmetic Act with respect to the safety of the food supply.

Pending:

Reid (for Harkin) amendment No. 4715, in the nature of a substitute.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. JOHANNIS. Mr. President, I do not see Senator BAUCUS in the Chamber, so I will go ahead and get started. My understanding is we will be going back and forth. So I will finish my opening remarks, and then if he arrives I will yield to him.

In just a few hours Senators are going to have a distinct choice. Two amendments will be offered to repeal what I think we have all come to regard as a very nonsensical tax paperwork mandate that was included in the health care reform bill.

There is broad agreement the 1099 repeal is necessary to remove Federal roadblocks to job creation. But today we have a choice on the two amendments. Today's choice comes down to what I regard as a very straightforward choice, a choice relative to fiscal responsibility, and it is illustrated by the chart I have in the Chamber.

My amendment fully offsets the cost of the 1099 repeal. The alternative Baucus amendment piles \$19 billion of debt onto the backs of future generations. The irony of this is just unmistakable. On one hand, we have a provision in the health care law that we have all come to regard as crazy, foolishness. Even the President has said it does not make any sense—or words to that effect.

On one hand, to repeal it, we are adding to the debt of future generations. On the other hand, my amendment fully offsets that cost.

Americans have sounded an alarm regarding Washington's out-of-control spending. They demand we address what is a huge \$14 trillion debt. They look at their Federal Government in disbelief when they see Washington continuing to spend money we simply do not have.

Yet the alternative amendment proposes to do more of the same. It does

not have a single offset. It simply passes the buck, and in this case it passes the buck to our children and grandchildren.

Now, both amendments, as you can see from the chart, repeal the 1099 requirement. But in the case of the Johannis amendment, it repeals the 1099 requirement without adding a single penny to our deficit or to the cost of the health care bill.

It also has taken care of the issue of the controversial offsets. As my colleagues remember, I listened in September when many came up to me and said: Look, I am with you on repealing this 1099 provision. My small businesses are asking me to get it repealed. But I just cannot go along with your offsets. Well, my new 1099 amendment uses unspent and unobligated funds from Federal accounts to fully pay for the repeal.

At the end of every year, there is money left in the accounts of Federal agencies that is not obligated. As someone who was a Cabinet official in a previous life, I can tell you that occurs. My amendment boils down to using about 5 percent of these funds—5 percent.

Additionally, the amendment I am offering gives the Office of Management and Budget the ability to decide what programs to pull funds from and in what amounts. This approach is far better than an across-the-board cut, and it allows important programs to continue to be funded.

Some are probably going to argue: Whoa, this is historic. This has never been done before. But I want to assure my colleagues, it has been done repeatedly.

If my colleagues choose the alternative amendment in a few hours, then the public demand for fiscal responsibility will have fallen on deaf ears. In September, when the Senate first voted down my 1099 amendment, the concern was about the source of the offsets. It was the health care bill, and many said to me: Look, I am with you, but I cannot go along with these offsets. So we changed them. But back then, no one—no one—argued that we simply did not need to pay for the repeal. No one argued that. Yet today the Baucus alternative amendment proposes no payoffs, adding \$19 billion to the national debt, without a dime of budgetary offsets.

So after all the hoopla about pay as you go, there is not a single budgetary offset to cover the cost of this amendment. So I urge all of my colleagues to vote for the fully offset Johannis amendment. It will be a vote to protect our job creators. It will be a bipartisan vote because we have all come to agree that this 1099 provision does not make any sense. And, most importantly, when we talk to our constituents about how we did this, we will be able to clearly tell them we paid for it, we

took care of the cost of repealing the 1099 amendment with offsets that were a compromise to try to get this done and get this behind us.

Several of my colleagues also want to speak on this issue, so I am going to yield 5 minutes of my time to Senator ENZI, followed by 5 minutes to Senator THUNE, 5 minutes to Senator BROWN, and 5 minutes to Senator HUTCHISON. So I yield to Senator ENZI.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

Mr. ENZI. Mr. President, I rise today to speak about the Johannis amendment that would repeal a provision in the health care reform law that, if not repealed today, will impose significant burdens on small businesses across this country.

Repealing this provision has the support of many of my colleagues on both sides of the aisle. Even the President has commented that this provision is onerous on small businesses and warrants immediate adjustment.

Starting in 2012, the new health care law will require that all businesses purchasing \$600 or more in property or services from another entity, including corporations, must provide the vendor and the Internal Revenue Service with a tax information return. This new government mandate will impose significant burdens on both small and large businesses, and taxpayers' costs will increase as a result of accumulating the information and preparing the tax forms necessary to comply with this expanded mandate.

Imagine if you are a freelance writer and you buy a new laptop. Well, now you have to send form 1099 to Apple and to the IRS or be labeled a tax cheat. Oh, and you will need the Apple taxpayer identification number too, so do not forget to ask the salesman for that.

This new reporting requirement hits small businesses hardest because they typically do not have in-house accounting departments and have to hire outside help. Every penny a small business spends on these services is money they cannot spend on hiring new workers and expanding their business. Every hour a small business owner spends filling out these new tax forms is time he or she is not making a sale, manufacturing a product, or working with a customer.

I understand the challenges this can create for small business. Before I came to the Senate, my wife and I owned shoe stores in Wyoming. When you own a small business, you have to be the CEO, the bookkeeper, the salesman, and the person who cleans the bathroom.

Every hour I spent filling out government-mandated paperwork was an hour I could not spend selling shoes. Government mandates such as the new 1099 requirement have a real cost, and it is small businesses that will end up having to pay them.