

going to increase discretionary spending by 20 percent and then we are going to freeze it. I do not want to freeze it. I want to bring it back down. So I have taken the same bill and said we are going to freeze that at 2008 levels.

I encourage my friends, we have now about 40-some cosponsors of that legislation. That being the case, I hope we will look very carefully and consider not just what people are thinking out there but do them a great service and tell them in fact what the real issue is on earmarks.

With that, I yield the floor. I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.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

Ms. KLOBUCHAR. Mr. President, I ask unanimous consent to speak up to 10 minutes.

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

#### EXPORT PROMOTION

Ms. KLOBUCHAR. We have been working and focused very much in the last few weeks on the economy with our tax extender bill as well as the jobs bill we passed, and I, for one, am glad. My State is glad, because that is what I have been hearing all around my State, especially from small businesspeople who have been troubled, are having trouble getting credit. Mr. President, as someone who has worked so much on this issue, you know how important that is to the strength of our economy, as 65 percent of our jobs have come from small businesses.

Today, I would like to take a few minutes to discuss two bipartisan bills I recently introduced that I hope will do more to add to the creation of jobs, to innovation, to exports. The first one is called the Export Promotion Act of 2010, and the second is the Travel Restriction Reform and Export Enhancement Act of 2010.

Export promotion is a topic of special interest to me. I chair the Subcommittee on Competitiveness, Innovation, and Export Promotion. The Export Promotion Act is cosponsored with my good friend on the subcommittee, the Republican ranking member, GEORGE LEMIEUX, and also by Senators SHAHEEN and WYDEN, who have taken an active interest in export promotion.

We have an important national interest in promoting exports. Access to new markets can make the difference between expansion and stagnation of a new and developing business. The

President recognizes this, and that is why I am pleased he called for a doubling of exports in his State of the Union speech, a doubling in the next 5 years.

One way to do this, to take this opportunity to open new markets, is going to be Cuba. A bipartisan bill I introduced with Senator ENZI, a second bill, would do just that. The bill makes it easier for American farmers to export agricultural products to Cuba—currently a closed market—by relaxing the restrictions on financial transactions between the two countries and by making it easier for American farmers to travel there to promote their products. The sponsor of the bill in the House is Minnesota Congressman and chair of the Agriculture Committee, COLIN PETERSON.

Another way to promote American exports is to make sure businesses know about the potential export opportunities available to them. Currently, the United States derives the smallest percentage of its GDP from exports compared to all other major countries. America has always been “the world’s customer,” buying our way and in effect buying our way to huge trade deficits. But it is clear that exports will be increasingly important to our economy as people in China, India, and other developing countries gain more purchasing power and they become our potential customers. Right now, more than 95 percent of the world’s customers are outside our borders. Think of it; with the growing economic power of customers in these new developing nations—I was just in India a few months ago, and you see that mass of humanity, the potential, as that country builds itself up, of people who can buy our products from all over our country. More exports will mean more business, more jobs, and more growth for the American economy.

Exports are also important for small businesses for several reasons. First and most obviously, exports allow a company to increase its sales and grow its business. Second, a diversified base of customers helps a business weather the economic ups and downs.

So there is a world of opportunity out there. I can tell you, I have seen it in my own State.

Mattracks, a company in Karlstad, MN—population 900, known as the Moose Capital of Minnesota—is a little company named after a little second-grade boy named Matt who came home and drew a picture of tank tracks on each wheel instead of going between the wheels. His dad, a mechanic, decided to build this product in his machine shop, and they now export to dozens and dozens of countries all over the world. They started with 5 employees and they are now up to 50. How did they do it? They went over to Fargo, ND, which covered this area of Minnesota, and talked to a woman named

Heather at the Foreign Commercial Service Department. They went over there, and she matched them up, like a business match.com, with potential countries, from Kazakhstan to Turkey, that were interested in their product. That is how they grew their business in Karlstad, MN.

Akkerman, down by Austin, MN, really in the middle of cornfields, is a longstanding family business—different from Mattracks—where they actually do trenchless digging. They put major steel pipes underground, and they have the machinery to push those pipes underground. They can dig major trenches underground without actually digging up the landscape, without digging up the ground. They have done it in Los Angeles, but they are doing it in India. Why? Highly populated areas like digging this way; they do not have to dig up over ground to do it. Again, as you look at these countries with the kind of infrastructure they need, Akkerman is now up to 77 employees—again, in the middle of the farmland in southern Minnesota.

But for so many businesses, it is very difficult to do this because for them the world looks like one of those ancient maps that contain only the outlines of the continents and a few coastline features. But the rest of it is blank space, vast unknown and unexplored territory. They know there is something more, they know accessing these markets will help them expand their profits, open new facilities, and hire more people, but they do not really know how to find out about opportunities.

Fortunately, there is help available. There are a number of Federal programs through the Small Business Administration, the Commerce Department, and the Export-Import Bank that assist U.S. companies in promoting their products abroad. The idea here is to give that kind of help to small and medium-sized businesses so they can vet a potential customer, so they can find out what is available. They don’t have a full-time trade department or full-time person looking at each continent like a company such as 3M or Cargill—very successful businesses in my home State—would have. So they need this help.

Another example: Epicurean in Duluth, a company that makes commercial and home-kitchen cutting surfaces. With 40 employees, it has customers in 45 countries. I invited Epicurean’s owner, Dave Benson, to join me for this year’s State of the Union Address, and he thinks we are right on track in focusing on the export market.

What does our bill do? Our bill focuses on expanding the Commerce Department programs that help these companies get the word out. It does three major things:

First, it expands the scope of existing Department of Commerce programs

that help America's small and medium-sized businesses commercialize and manufacture new technologies that export abroad.

Second, it increases the people at the Department of Commerce who are responsible for identifying new export opportunities abroad and matching these markets with American companies. For the past 2 years, the program that specializes in matching small business with potential export markets has not replaced retiring officials, losing roughly 200 people since 2004 even as demand for their assistance continues to increase. This bill would restore staffing levels in this program to their 2004 levels. I talked to Secretary Locke this morning. I know he is focused on this. He is doing reshuffling of people in his own department. That is the key to this.

Finally, the legislation will expand the Commerce Department's Rural Export Initiative to ensure that small and medium-sized businesses located in rural areas know about all of the available export opportunities for them. Why is this cost-worthy? Well, look at this: a return of approximately \$213 on each dollar—\$213 on each dollar. That is what we are talking about here.

What we are trying to do here, Senator LEMIEUX and I, with this bill and also with our bill regarding Cuba is to open these markets and say: You know what, if we can give our small and medium-sized businesses and our farmers a little help, either getting in the door, knowing whether a customer is real, letting them know where their product is hot, what countries are interested, they are going to do the work. These are private sector jobs. Our idea here is not to create the jobs ourselves but to help them to get into these markets, to make them on an even playing field with the big businesses that already have the resources to do it.

The ability to envision creative new products and then develop them, commercialize them, and sell them has been part of the American dream as long as there has been an American dream. That spirit of innovation has gotten us everything in my State from the Post-it note to the pacemaker. Those companies—Medtronic started in a garage, and 3M started up in Two Harbors, MN, a tiny little town. Target started as a dry goods storefront on Nicollet Mall in Minneapolis, and they grew to what they were. But they can only do this now if they get that kind of help. It is no longer only America that is their market; it is India, it is Kazakhstan, it is Turkey, it is China.

So it is not as easy now to build to the point that they need to build to. That is why Senator LEMIEUX and I are introducing this bill, to assist the Commerce Department to assist these small and medium-size businesses. As we continue to fight through this economic crisis, it is important to keep

the end game in mind, an end game where the United States is again the world leader in job creation by virtue of developing and selling the world's most innovative products. This bill will help us get there.

I yield the floor and 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. MCCAIN. 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. MCCAIN. Mr. President, I ask unanimous consent that I be allowed to engage in a colloquy with the Senator from Connecticut.

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

#### U.S.-ISRAELI RELATIONS

Mr. MCCAIN. Mr. President, I say to my friend, I know he has been observing in the last few days the events that have transpired in regard to the situation in Israel and the reaction of the United States to the announcement that there would be additional housing construction in areas the Israelis believe are within the boundaries that will exist once peace is settled, and that the Palestinians are of the view that it is their area—as there are many territorial disputes between the Palestinians and the Israelis, which is one of the reasons there is a compelling argument for a peace process.

I know my friend from Connecticut is disturbed, as I am, about the level of tension in the public discourse that has been going on, which cannot only not be helpful to Israeli-U.S. relations but also to the ability of Israel to deal with other tensions in the region and the existential threats they face from their neighbors who have threatened their extinction.

So I have had the great pleasure and honor of travelling to Israel on numerous occasions with my friend from Connecticut. I would state for the record that no one has a closer relationship and a better understanding of the Israeli-Palestinian situation and the urgency of the peace process.

I would just ask my friend, doesn't he think if we want the Israeli Government to act in a way that would be more in keeping with our objectives, that it does not help them to have public disparagement by the Secretary of State, by the President's political adviser on the Sunday shows? On the contrary, shouldn't we lower the dialog, talk quietly among friends, and work together toward the mutual goals we share?

Mr. LIEBERMAN. Mr. President, I thank my friend from Arizona for the

question and for the opportunity to engage in this dialog on the important and troubling course of relations at this moment between the United States and Israel.

Mr. President, I ask unanimous consent that this colloquy be conducted as in morning business.

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

Mr. LIEBERMAN. I thank the Chair.

I say to my friend from Arizona what not only he knows, but what he has helped to bring about throughout his career, are two things: that the American relationship with Israel is one of the strongest, most important, most steadfast bilateral alliances we have in the world because it is not based on temporal matters—that is, matters that come and go and politics or diplomacy—it is based on shared values, shared strategic interests in the world, and, unfortunately, now on the fact that we in the United States and the Israelis are also targets of the Islamist extremists, the terrorists who threaten the security of so much of the world. So we have a strong bilateral relationship.

The second thing to say, in answering my friend's question, is that the Israelis depend, to a very large degree, on America's friendship as they approach the world. The Senator is absolutely right, without a confidence—not that everything Israel does America will support, but that underlying we are heading in the same direction, we are allies, we are friends, it is as if we are part of the same family. Without that confidence in the U.S.-Israel relationship, the Israelis will not have the confidence to take the risks necessary for peace. So the uproar over the last several days is very troubling in that regard.

Vice President BIDEN, as my friend knows, went to Israel to reset the relationship. Unfortunately, at that time, from all the Israeli Government says—I have no reason to doubt them—a bureaucratic decision was made within one department of the government, the Ministry of the Interior, to issue a permit—I gather one of seven permits necessary within the next few years for this building project to take place. It has become not just a bureaucratic mistake but a major, for the moment, source of division between our ally, Israel, and ourselves, and it does not help anyone to continue this.

I just want to say briefly to my friend because he said something most people do not know—and this is my understanding of the situation—the permits for this housing are in an area of Jerusalem that is today mostly Jewish. The Israeli Government has taken the position, however, since 1967 that anybody ought to be able to buy property and build and live in any section of Jerusalem they choose to regardless of