

(3) this Act is intended to provide a 1-time exception to the 10-year statutory limit on the term of the Director of the Federal Bureau of Investigation in light of the President's request and existing exceptional circumstances, and is not intended to create a precedent.

SEC. 2. CREATION OF NEW TERM OF SERVICE FOR THE OFFICE OF DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION.

Section 1101 of the Omnibus Crime Control and Safe Streets Act of 1968 (28 U.S.C. 532 note) is amended by adding at the end the following:

“(c)(1) Effective on the date of enactment of this subsection, a new term of service for the office of Director of the Federal Bureau of Investigation shall be created, which shall begin on or after August 3, 2011, and continue until September 4, 2013. Notwithstanding the second sentence of subsection (b) of this section, the incumbent Director of the Federal Bureau of Investigation on the date of enactment of this subsection shall be eligible to be appointed to the new term of service provided for by this subsection, by and with the advice and consent of the Senate, and only for that new term of service. Nothing in this subsection shall prevent the President, by and with the advice of the Senate, from appointing an individual, other than the incumbent Director of the Federal Bureau of Investigation, to a 10-year term of service subject to the provisions of subsection (b) after the date of enactment of this subsection.

“(2) The individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection may not serve as Director after September 4, 2013.

“(3) With regard to the individual who is the incumbent in the office of the Director of the Federal Bureau of Investigation on the date of enactment of this subsection, the second sentence of subsection (b) shall not apply.”.

CUT, CAP, AND BALANCE ACT OF 2011—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I wish to speak on behalf of the resolution before us—the so-called cut, cap, and balance resolution—and explain briefly why it represents a better approach to resolving the financial crisis our country is faced with than the alternative, which seems to be myopically focused on raising taxes, as if our problem in this country were taxes. Our problem is spending. That is why the reference to cutting spending, capping future spending, and ensuring that we never go back to our errant ways by passing a balanced budget amendment to the Constitution, which would forever prevent us from getting into the same position we are in now where we have to keep coming back to increase the Nation's debt ceiling. That is why the emphasis on spending.

Some of our friends on the other side of the aisle, and certainly the President of the United States, say: I will not agree to anything unless you raise taxes.

Why are Republicans so opposed to the President's approach? Why are we

focused on reducing spending rather than raising taxes? Why is it important? First of all, because spending is the problem, not taxes. Spending in this country, under President Obama, has gone from the historic level of about 20 percent of our gross domestic product to now 25 percent in just 3 short years. That is a historic growth in spending. We have never been this high. Under the Obama budget, as far as the eye can see, we are going to be above the historic levels—never below, I believe, 23 percent of the gross domestic product and, as far as I can see, very close to that 25 percent. Spending is the problem.

Some will say: Well, the government has collected less income taxes in the last couple of years.

That is true, but it isn't because tax rates have changed. We have had the same tax rates for the last decade. They have been constant. The only reason there is less revenue coming into the Treasury right now—the so-called tax take of the government—is because the economy is in the tank. People are unemployed. They are not working. They are not making as much money. Businesses are not making as much money, so they are not paying as much in taxes.

So what is the answer? To raise tax rates and try to squeeze more blood out of this turnip, to try to get more out of a sick economy? No. The answer, of course, is to try to get the economy well again so people are working, they make more money, businesses make money, they all pay more in taxes, and then we will be back at the historic levels of tax-take by the Federal Government, and presumably the folks who say taxes are the problem will then be satisfied.

But how do we grow the economy? How do we get it well? We know one thing for sure not to do; that is, impose taxes on an already weak economy. The President himself, last December when we reached agreement between the Congress and the President on extending all of the current tax rates, made that exact point. He said:

To raise taxes at this time when the economy is weak would be the worst thing for economic growth and job creation.

He was right. He was right then. If anything, our economy is in worse shape now. Now we are at 9.2 percent unemployment. We continue to stagnate. If we have a sick economy, the last thing we want to do is impose more taxes on that economy.

One of our colleagues here in the Senate, our colleague from the State in which I was born, the Cornhusker State of Nebraska, BEN NELSON, said:

Raising taxes at a time when our economy remains fragile takes us in the wrong direction. If we start with plans to raise taxes, pretty soon spending cuts will fall by the wayside.

I couldn't agree with him more.

I think there is some bipartisan consensus—though certainly I recognize many Democrats would like to raise

taxes, but I think economists and most Americans appreciate that when the problem is spending, when spending has gone up so dramatically, the answer is to reduce the spending, get it back down at a minimum to where it was, and not raise taxes.

The second reason we are focused on the spending side and why we therefore support the cutting of spending, the capping of that spending, and making sure we have the constraint of a constitutional amendment to restrain us from our impulses in the future is because it never fails that tax hikes always hit more than the people at whom we are aiming. It doesn't hit just the millionaires and billionaires; it hits a lot of other people.

When the alternative minimum tax was created, the idea was to make sure that—and I could be a little wrong on the number—I think it was 125 millionaires couldn't use deductions and credits to get out of paying their taxes. We were going to create an alternative minimum tax. They would have to pay some tax even if they had lots of credits and deductions they could take. Well, 2 years ago it was going to hit 23 million Americans, and I think this year it is something like 32 million. Again, I could be a little bit wrong on the number, but let's just say between 20 million and 30 million people. So we started out with about 125, and now that tax hits well over 20 million and I think over 30 million households a year. Why wouldn't we want to do something about that? We do every year. We pass what we call a patch so that it doesn't affect those people because we never intended it to affect them in the first place. We aimed at the millionaires, and we hit over 20 million other Americans.

The same thing would happen here. How many millionaire and billionaire households are there that report income of above \$1 million? The answer is 319,000. Out of the whole United States, there are 319,000. How many people would actually pay the increased tax in the upper two brackets where these people are located? Well, that number turns out to be 3.6 million people right now. What will it be in 20 years? We will probably be up to the 20 and 30 million category again.

The point is, we aim at 300,000 people, and we end up hitting 10 times that many people—3.6 million people. That is how many people there are in the top two brackets that the President's proposals would hit.

There is another unintended consequence. It doesn't just hit the millionaires and billionaires, it hits small business owners. Small businesses create two-thirds of all of the jobs coming out of an economic downturn such as we have had, out of a recession. Small businesses usually—or at least 50 percent of small business income—let's put it that way—is reported in these top two income tax brackets. We have an individual person, and he is not a corporation, so he reports his income

taxes in one of the two top income tax brackets. What happens when we raise the tax on that 50 percent of the folks, the small business folks? Are they more likely to hire or are they more likely to just sit on their hands? Obviously, the answer is they are not going to hire more people.

Earlier this week, I quoted from several small business folks who, of course, said precisely that. The experts all agree on this issue. When we raise taxes on the top two rates, we hit a lot of small businesses.

One of the taxes the President proposed raising—as a matter of fact, his own Small Business Administration did a study and reported that tax “could ultimately force many small businesses to close.” So we aim at the millionaire and the billionaire, and we end up hitting small businesses. By the way, since this Small Business Administration report has been in the news, I have noticed the administration is not talking about this particular tax anymore. Well, that is fine, but the reality is that the others they are talking about would also hit small businesses and force many of them to close.

Who else gets hit by this tax on millionaires and billionaires? We have some experience. Back in 1990, we thought we would impose a luxury tax on millionaires and billionaires. We were going to tax things such as yachts and jewelry and luxury items, and so on. Well, that lasted a little less than 3 years when all the people who made the yachts marched on Washington and said: Hey, you just put us out of business, and we repealed that tax. I think it was over 9,000 people who were put out of business.

It is interesting that the same proposition translates to today. What was one of the provisions in the stimulus bill? Now, the stimulus bill was opposed by all but I think two Republicans, and all the Democrats supported it. Well, it was the tax treatment for corporate jets. Republicans didn't support this special tax treatment for corporate jets, but the President did. It was in his stimulus bill because it was thought it would help to create or save jobs.

Accelerated depreciation, which is the tax treatment here, was beneficial to the people who make these airplanes—more beneficial from a tax standpoint—and it might well be that jobs were either created or saved as a result of that. But that tax provision that was so important to creating or saving jobs when the stimulus bill was passed now all of a sudden is something that is evil because presumably people who fly in business jets are people to be attacked, to be demagogued.

We have heard the President of the United States talk about this. He talks about the special tax loophole for corporate jets. Well, it is his tax loophole, and he put it in there because he thought it would create or save jobs. Now, who is it going to hurt? The business guys will still fly on their cor-

porate jets; it is just that the jets will cost more money, but probably fewer people will be working, making those planes. Is that good policy or bad policy? I am all for having that debate. I am not going to defend the corporate jets; I will defend the people who make them. But let's have that debate in the context of tax reform, which we have all said we are for doing, so that if we decide it is good policy to eliminate that accelerated depreciation provision, we do that and then we apply the savings to reducing tax rates overall, which is exactly what the President said we should do.

In his State of the Union speech, he pointed out that America is not competitive with the rest of the world. We have the highest corporate tax rate in the world, and he said we have to get it down. What we ought to do is eliminate loopholes in the Tax Code and then, with the savings, reduce overall corporate rates, so instead of paying 35 percent, our corporations would pay maybe 20 or 25 percent, which is still above the world average of developed countries, but at least we would be more competitive.

So what is the right policy? Should we be demagoguing corporate jets or should we think through the policy? We might just be hurting regular Americans, and maybe we should think twice about the kind of political language we are using.

Even oil and gas—we have to tax the big oil companies. Everybody knows we put the tax on, and the next thing we know we are paying more tax when we fill up our car at the local service station. So we should think through whom we are really going to hit with these taxes on millionaires and billionaires and big corporations.

Even the death tax—the death tax is part of the taxes the President would like to have rates go up on, to go back to the 45-percent rate. That is almost half—45 percent—of the estates. Now, a lot of these estates are small businesses, farms, ranches, and a lot of times they have to sell all or part of the business or the farm or the ranch in order to pay the estate tax. So who are we really hurting when we do this?

I have a friend who had a small printing business in Phoenix. He was one of the largest charitable givers in our community, a fine, wonderful man. His name was Jerry Wisotsky. He created the business from nothing, moved out from New York City, and had over 200 employees when he died. He had Boys & Girls Clubs named after him. He and his family contributed as much money to charity in Phoenix as anybody I know. Well, they had to sell the business because the estate taxes were eating them up. The out-of-State company that bought the business didn't contribute to the local community. They didn't contribute to charity. Who got hurt when we imposed that estate tax, that death tax on Jerry's family?

So let's just stop and think. One reason we don't want to focus on taxes and

we would rather focus on spending is because a lot of times, when we focus on millionaires and billionaires, we end up hurting a lot of other people instead.

The third reason and, frankly, the most important from an economic standpoint, of course, is the fact that tax hikes kill job creation and economic growth, and I alluded to this in the second point I made. Fifty-four percent of all of our jobs are from small businesses, and when we hurt small businesses' ability to hire people, obviously we are hurting families, we are creating more unemployment, and we are preventing the economy from rebounding.

I mentioned the fact that the top two brackets of our income-tax code is where at least half of all of the small business income is reported and taxes are paid. That is one of the areas where the administration wants to increase taxes. Why would we do this when, as the Small Business Administration says, it would force many small businesses or could force many small businesses to close? It doesn't make sense. That is why we are focused on cutting spending, capping that spending over time, and ensuring those caps stay in place through a balanced budget amendment.

I think the American people have an understanding of this. There have been a lot of polls quoted lately. I just wish to refer to one, which is only a week old. It is the Rasmussen poll from last Thursday. The question was asked whether there should be a tax hike included in any legislation to raise the debt ceiling—a pretty straightforward question. Rasmussen is a very reputable pollster. This was just 1 week ago. Most voters said no. Only 34 percent thought a tax hike should be included. Fifty-five percent disagreed, said it should not. Among those affiliated with neither political party—the so-called Independents—35 percent favored it and 51 percent—a majority—opposed including a tax hike in the legislation to raise the debt ceiling.

So we are with the American people on this issue. It isn't necessary. Taxes aren't the problem. It affects a lot more people than they ever think it will. Finally, if we want to really hurt economic growth, if we want to really kill job creation, then just pile more taxes on to the economy. It doesn't make sense. That is why we are so insistent on supporting legislation that would cut spending rather than raise taxes.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. MORAN. Mr. President, I ask unanimous consent to address the Senate for up to 10 minutes.

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

Mr. MORAN. Mr. President, yesterday, I was on the Senate floor talking about this piece of legislation that is now pending before the Senate, passed

by the House of Representatives earlier this week. I am a sponsor and supporter of cut, cap, and balance and believe it is a path toward responsibility that we need to demonstrate in the Senate, in the Congress, and here in America.

It seems to me it certainly is irresponsible not to raise the debt ceiling, but it is equally or more irresponsible not to raise the debt ceiling without making adjustments in the way we do business in Washington, DC. Clearly, cutting spending is a component of that, capping spending is a portion of our national economy, returning it to the days, just a few years ago, in which we were spending “only” 18—I say “only” in quotes, perhaps—“only” 18 percent of our gross national product by the Federal Government. Unfortunately, in the last few years that 18 percent has grown to 24.2 percent.

So reducing some spending, capping that spending in the intermediate future, so it does not exceed a certain portion of the national economy, and, finally, passing a balanced budget amendment to the U.S. Constitution seems to me to be a reasonable, rational approach to solving the problems we face.

I also indicated yesterday that in my view there is a fourth component. It is cut, cap, balance, and grow. I do not want us to forget the importance of a growing economy. The last time we had our budget that was in balance, close to being in balance, was at the end of the term of President Clinton. Yes, there was some spending restraint back in those days, in those years. Republicans and Democrats could not get together and pass major pieces of legislation that increased spending, so that spending restraint was an important component.

But the other part of that is the economy was growing and people were working and, as a result, they were paying taxes. That is the more enjoyable component of our work, in addition to restraining spending, capping its percentage of the economy, and putting a balanced budget in place so we do not get back into this mess.

The other aspect of that is to make sure we make the policy decisions in our Nation’s Capital that allow a businessperson, an employer, to make the decision that now is the time to invest in plant and equipment, now is the time to add additional employees. Yet there are so many aspects of decisions that have been made in our Nation’s Capital over a long period of time that now come together and discourage an individual business owner, a potential employer from making the decision: I am going to invest in the economy.

We have all heard the numbers as to the amount of money sitting on the sidelines in the U.S. economy. In my view, the recession we are in has lingered longer than necessary because there is so much uncertainty in regard to what is going to happen next, and a large portion of that uncertainty

comes from the inability to predict what policy decisions are going to be made in the Senate, across the hall in the House, and what the Obama administration is going to propose and potentially put in place in regard to rules and regulations.

I certainly hope my colleagues in the Senate will take the proposal by the House of Representatives as serious work. I certainly agree there can be negotiations had. There has been, as I indicated yesterday, some concern about the specific language of the constitutional amendment that requires a balanced budget, and we ought not draw the line in the sand and say it has to be exactly the way it is written.

Let’s come together and work to find a reasonable, rational solution based upon the outline this legislation provides. From time to time, it has been considered a radical piece of legislation—labeled that way. Yet so many of the things we do in our everyday lives, that States across our Nation encounter and the way they conduct business are certainly capsulized in cut, cap, and balance.

I know there has been significant talk about raising taxes. I heard the Senator from Arizona speak to this before, just a few moments ago. When an individual is struggling to pay the bills, they do not often have the opportunity to ask for a pay raise. What we do at home, what we should do in our own lives, is to reduce our spending levels. Simply asking for more money to meet our current obligations is not usually an option.

That tax issue goes with my comments a moment ago about the importance of growing the economy. Too often, we look at taxes as a source of revenue. I am for raising revenue, but I am for raising revenue by a growing economy and people being at work paying those taxes, not by raising the tax rates but by improving the economy and allowing good things to happen to families, individuals, and businesses across the country. So that Tax Code is an important component of this issue of growing our economy and getting our deficit back in line, back to some level of responsible behavior here.

ONE-YEAR ANNIVERSARY OF DODD-FRANK LEGISLATION

Mr. President, the additional point I wish to make—in addition to what I have said already today but also in addition to what I said yesterday to the Senate—is that this is the 1-year anniversary of the passage of Dodd-Frank.

Huge financial regulations were put in place by legislation that, just 1 year ago today, was passed by the House and Senate and signed by President Obama. In my view, that legislation is another component of the difficulty in knowing what is coming down the road—hundreds of regulations yet to be proposed, pursued, and enacted, so many of our businesses and financial institutions do not know what to expect and, therefore, again are waiting to see what happens in the Federal Government, what

decisions are made here, in this case not by Congress now but by regulators up the street in our Nation’s Capital.

So on this anniversary of the passage of that legislation, I wish to again highlight what I think is a common-sense reform to that legislation. A part of Dodd-Frank created the Consumer Financial Protection Bureau. A number of Senators have signed a letter to President Obama trying to make clear that before a head of that Bureau is going to be confirmed by the Senate, we believe that structural reform, change in the nature of that organization, needs to occur.

Again, these seem very straightforward and common sense to me. But rather than have a single head of the Consumer Financial Protection Bureau, I would ask that—in fact, I have introduced legislation to do this, and my colleagues, in signing that letter, asked the President to help us change that individual to a board or commission similar to other government agencies charged with financial oversight, so the power does not rest in a sole individual.

Then, again, one would think Congress would never want to give up the authority to determine the appropriations for this agency. Instead, the law, as currently written, provides for a draw against the Federal Reserve as compared to where almost all agencies have to come to Congress and ask for their appropriations, which gives us, as legislators—me, as a member of the Senate Appropriations Committee, as ranking member of the Financial Services Subcommittee on Appropriations—the opportunity to review, to have input, to provide oversight. We ought to change that formula by which the money comes directly from the Federal Reserve and put it back with the responsibility of this Congress making those decisions.

Finally, we want to have banking regulators—who oversee the safety and soundness of our financial institutions today—given meaningful input into the Bureau’s operation, all designed to provide greater opportunity for us as Members of Congress, for the American people, to have input and oversight over what will be one of the largest agencies, most powerful regulators in our country’s history, and certainly having significant creation of new rules and regulations that are going to, in some fashion, affect the U.S. economy.

Many of my community banks feel so overregulated today. There is a real concern or fear about making loans today—something that is very important for an economic recovery, that aspect of growing the economy—because they do not know what the next set of regulations is going to be.

In fact, for the passage of Dodd-Frank—the legislation we are now observing the 1-year anniversary of it becoming law—the GAO, our Government Accountability Office, estimates that the budgetary costs of Dodd-Frank will

exceed \$1.25 billion. In addition to that, the Congressional Budget Office estimates that over the next 10 years, Dodd-Frank will take \$27 billion directly from the U.S. economy in new fees and assessments on lenders and other financial companies.

So as we look at the legislation that is pending before us—cut, cap, and balance—my hope is we will expand—once we pass that legislation, we will get back to aggressively pursuing a projob, progrowth agenda. Jobs certainly are important for us in generating the revenues necessary to fund the Federal Government and to reduce our national debt. But there is nothing more important to Americans, to Kansans across our State, than being able to have a secure opportunity for employment, to put food on the family table, to save for their own retirement and their children's education.

I do believe—seriously believe—that a significant message that was delivered by the American people in the election of November 2010 was the reminder to us that we have the responsibility—again, government is not a creator of jobs, but we are the creator of an environment in which the private sector can create jobs.

So let's cut, cap, balance and grow the economy and strengthen the opportunity for every American to have a valuable and viable job, with the hope of improvement in their own lives, and, most importantly, make certain we pass on to the next generation of Americans the ability to pursue that American dream.

I thank the Presiding Officer for the opportunity of addressing the Senate.

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

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

Mr. CHAMBLISS. Mr. President, I rise to talk about the bill that is before the Senate today. But as a part of that, we are now in the midst of a true fiscal crisis in this country, and I want to address something that has been debated over the last several days, discussed over the last several days, criticized over the last several days. It has been the subject of a lot of misinformation—by colleagues on my side of the aisle particularly—about the proposal that has been submitted by the so-called Gang of 6, of which I happen to be a member. And I am someone who for the last 7 months has participated in discussions with two of my colleagues on this side of the aisle, as well as on the other side of the aisle, to try to find a bipartisan solution to being able to repay the \$14.3 trillion our Federal Government owes, and that we have all participated in creating.

The misinformation that is going around from my friends is very dis-

turbing. People are here on this floor throwing out numbers that are wrong, giving specifics on a piece of legislation that has not even been written, and yet they are talking as though they are experts on the subject of a matter that my five colleagues and I have been discussing and debating among ourselves for the last 6 months—and we have not even put the legislation out there yet. So it is pretty disturbing to me that there are some people in this body who want to see nothing done and I assume want us to continue down the road of borrowing 40 cents out of every dollar we are spending. I am not willing to do that. I think we were sent here with a commitment from our constituents to solve the serious problems this country faces. The only way we are going to solve this fiscal problem we have is to generate 60 votes in this body in support of some proposal.

I am going to talk in support of the proposal we have under consideration now because I think it is a potential solution. I am very appreciative of the authors of the cut, cap, and balance bill. I am appreciative of our leadership for at least trying to come forward with something and put it on the table to give us the opportunity to debate those ideas.

I think there have been a number of very positive proposals that have come forward and hopefully that will come forward in the next few days to allow us to debate this issue and to primarily solve the problem relative to the debt ceiling and solve the problem relative to the long-term debt we have.

I have to say, I am disturbed about some of the comments and statements—even from folks who were critical of the plan we put forward for cutting too much spending. These are the folks who have been ranting and raving about the fact we are spending too much money in this town, and now they are complaining about the fact we are cutting too much in spending.

I look forward to continuing this debate. I want to say the proposal that we put forward was intended from day one to be a framework, not the final product, but a framework, for this body as well as the House to discuss as a way forward for solving the issue of how we are going to repay this \$14.3 trillion. We never, ever intended for it to be in the mix on solving the issue of the debt ceiling that needs to be raised, according to the Department of the Treasury, by August 2.

Because we happen to have come to a conclusion of our negotiations this week, at the same time the debate on raising the debt ceiling is reaching its height, that has obviously created the impression on some folks that our proposal is intended to solve the issue of the debt ceiling. And it is not. It categorically is not. I want to make that perfectly clear.

That being said, if there is any part of our agreement, any part of our principles that can be utilized by the lead-

ership of the House and the Senate to figure out a way forward on the debt ceiling, for we have no pride of authorship. We hope leadership will take advantage of anything that can be used to try to generate the necessary support in this body as well as in the House to solve the issue of this deadline we are facing on August 2.

I rise today in full support of the cut, cap, and balance legislation. I am proud to be a cosponsor of this bill and I commend my fellow Senators in this Chamber who have taken it upon themselves to offer solutions to the large and growing problem of our debt and our deficit.

A majority of Republicans here in the Senate as well as a majority of those in the House believe that legislation that cuts government spending and makes tough enforcement mechanisms on the Federal budget is the right way to bring spending under control. I am also proud to be a cosponsor of a separate balanced budget amendment. I firmly believe all of these proposals will structure and control the Federal Government's spending, just as Americans have demanded. We are in the middle of a fiscal crisis. Last year, the government spent at a rate of 25 percent of our gross domestic product and took in revenues of about 14 percent of our gross domestic product. The result of that is that last year, for the fiscal year ending September 30, 2010, we had in excess of a \$1.5 trillion deficit. It looks as though we are headed in the same direction this year. This is totally unsustainable. Our financial markets have told us that. The folks who are in the process of putting together another sale of our bonds have told us that. We know people who are looking at buying those bonds are looking very closely at how this body acts over the next several days.

Some people have said the bond market is the most honest financial market out there, as the bond market tends to track truest to the debtor's overall fiscal standing.

The bond-rating agencies have already told us that we are approaching the edge of what the market will bear. We are close to the brink of our self-imposed debt limit of \$14.3 trillion.

We must give serious, solemn consideration to any plan that will turn us immediately away from our overspending. We need to be mindful of the consequences of a default. Forcing the administration to make spending decisions is only one problem we face.

A default and the subsequent rise in interest rates means we will find ourselves deeper in debt, and rampant inflation will prevent us from achieving fiscal solvency.

Current levels of discretionary and mandatory spending cannot be sustained. Mr. President, I say that with respect to every area of the Federal Government. We cannot allow any area of the Federal Government to go untouched. If we do, we will allow that area of government to continue to

grow out of control. We must cut Federal spending anywhere we can and in every department of the Federal Government.

We also have to reform entitlements. We have to look at the issues that are very difficult for a lot of us to deal with, and we have to make some very tough decisions.

Too frequently we have engaged in political theater instead of earnest efforts to resolve these long-term budget issues. The American people expect and deserve an honest budget debate and an honest budget process.

On Tuesday of this week, the House made an historic vote. Its Members decided that Congress can no longer feign interest in securing our financial future. They took the right step of voting to cut spending and place rigid caps on remaining expenditures with tough budget enforcement mechanisms. I commend them for their efforts.

Now is the time to join our colleagues in the House. We must look for new ways of ensuring that the Congress cannot break promises.

The best path forward toward fiscal stability will set a firm foundation, and this legislation will do exactly that.

George Washington gave clear guidance when he told the House of Representatives that no consideration "is more urgent than the regular redemption and discharge of the public debt."

We can no longer allow the American people to suffer by not providing the economic basis for recovery and growth. The equation is simple: a balanced Federal budget that is free of excessive debt leads to a healthy economy and sustainable job creation activities.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Mr. President, I rise in support of H.R. 2560, the Cut, Cap and Balance Act.

I have been watching the debate on my TV back in the office this afternoon, listening to the arguments made pro and con, and thinking to myself that back home in Georgia there are a lot of folks who live around me who are scratching their heads wondering why cut, cap, and balance is such a bad idea because they have also had to cut, cap, and balance.

The call I left before I came here to speak on the Senate floor was from a minister and his wife whom I know. They are retired. Both of their daughters are married and live away from Georgia. Both of them have been in financial difficulty, and both are on the brink of losing their homes. Through the counseling of the minister and their support, they counseled and showed them where to cap, cut, and balance so they could make their mortgage payments and not lose their homes. Americans have had to do that all over the country. The present economic situation mandates that. There are no excuses with the IRS or bill col-

lectors or people with whom you may do business. If you don't pay, there are consequences.

America as a country must ask of itself what we impose and ask of every citizen in our country. I think also there are probably a lot of members of the Georgia Legislature who are watching this debate and scratching their heads. In my State, in the last 4 years we cut \$5 billion—from a \$22 billion budget to a \$17 billion budget. Do you know why? It is because our Constitution says we have to have a balanced budget. We can't borrow to pay for everyday operations, and we must live within our means. We have had to cut, and a lot of those cuts have been painful.

Many States are coming back now. There was an article the other day about States that are coming back and showing future months of growth in revenues and in their income, and even looking to surpluses that will come in the years to come. Why? Because when they had to do it, they balanced their budgets and capped their expenditures, and they did what their Constitution requires.

This proposal tells us, first of all, to make cuts that would materialize early of about \$51 billion. It would be a down-payment on the process to continue the cutting process to reduce our deficit and our debt. It has a formula for capping expenditures in the future, going from 21.7 percent of GDP to 19.9 percent of GDP which, by the way, falls within the realm of the last 40-year average, until the last few years when we have gone from 20, 22, 24, to 24.6 percent of GDP.

It is not unreasonable to ask us to impose upon ourselves a cap consistent with the averages of our past. Remember this: As we get our arms around our spending and live within our means, business will prosper, revenues will go up to companies, taxes will go up, and that percentage of GDP will give us a broader margin. It is only when we are in a declining economy, a recessionary environment, where revenues go down, that caps are hurting a lot because we are not empowering business, profits go down, and revenues go down for the country.

On the balanced budget amendment, this provision leaves room for negotiation between the bodies as to what the caps will be in the balanced budget amendment, whether it would be a supermajority of 60 or 67 to raise taxes. It is a realistic approach to cause us to sit around the table in Congress and negotiate what is wrong for the country. If it is right for almost every State in our Union to have to balance their budgets, to cap their spending, and to limit their borrowing, it should be right for us.

This proposal is right for America. It is basically what we require of our citizens. It is now time we required it of ourselves. I am proud to join my fellow members of the Republican Conference of the Senate to vote for a new dis-

cipline for America that cuts excessive spending, caps wasteful spending, and, over time, allows us a roadmap to have a balanced budget and a GDP ratio to expenditures that is doable, workable, and historically justifiable.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, I ask unanimous consent that I be recognized for 15 minutes as in morning business.

The PRESIDING OFFICER (Mr. BEGICH). Without objection, it is so ordered.

PILOTS' BILL OF RIGHTS

Mr. INHOFE. Mr. President, first of all, let me make a comment on something totally unrelated to the subject of the day, which is that we have a significant bill coming up that the occupant of the chair and I have put together. It is called the pilots' bill of rights. The reason I want to say something about it is it is getting toward the end of the week. It happens a week from today—the largest gathering anywhere in the world of pilots who will get together in Oshkosh for the big event. I have been going to that for 32 consecutive years. We have probably the most significant piece of legislation we have ever introduced at Oshkosh. We are going to have literally thousands—I am talking about 200,000 pilots who are single-issue people.

I have been a pilot for 50 years. I know how these people think. The pilots' bill of rights is going to offer an opportunity to these people, who might be accused of something by the FAA, to have access to the evidence against them. It is something that everybody is for. As a matter of fact, it is something that—I haven't said yet, but I just heard that the air traffic controllers are supporting this effort. So we are going to have a lot of people. We already have 34 cosponsors.

The reason I want to say this, I know not many Members are listening, but a lot of staffers are. Pilots are single-issue people. They are going to want to know who is cosponsor of the bill. We will be talking for a period of 2 hours in two different settings. We will have literally thousands of pilots there.

I encourage very strongly people who may be listening to us right now to have their Members look at this carefully. As I say, pilots are single-issue people, and this is their issue. I did this twice—once in 1994, when we were able to use the population at Oshkosh to push over the top the first product liability bill that changed our manufacturing of aircraft from a major importer to a major exporter. That all happened at Oshkosh.

Another time it happened was with Bob Hoover, whom I think would be considered to be the best pilot in America today. He is up in years, but this guy had a problem that we helped him with, an emergency revocation. We did it in Oshkosh.

I hope we get a lot more people who are interested in general aviation, and

particularly if you are on the general aviation caucus and you are not on this bill. There are going to be an awful lot of questions.

CUT, CAP, AND BALANCE

Let me make a few comments about the Cut, Cap, and Balance Act. I can remember coming to the floor standing at this podium about 15 years ago, and this was during the Clinton administration. I came here because the Clinton budget for the entire country at that time was \$1.5 trillion. I came down and stood here and said: How is it possible to sustain a level like \$1.5 trillion? That was to run the United States for the entire year of 1996.

Now I think the outrage this year is that in President Obama's current budget, the deficit alone was \$1.65 trillion. In other words, the deficit alone, right now, is greater than what it took to run the entire country for a period of a year in 1996.

That is something we can't continue doing. I believe the spending has gone so out of line that it is not believable. It is not possible for people to think this could be happening. President Obama has managed to increase Federal spending by over 30 percent, to an average of \$3.6 trillion a year—\$3.6 trillion. I was complaining about \$1.5 trillion, and this is just 15 years later.

Is anybody listening out there? Does anybody really care? Maybe since I have 20 kids and grandkids I am a little more sensitive to the fiscal destruction of this country. This has caused our national debt to increase by 35 percent. Today, we have to borrow 40 cents for every dollar we spend. It just happened. This is something that we have to address.

I think we are so wrapped up now in saying how are we going to get this done by this deadline of August 2. I remind everybody of something that most people don't know, and it is a shock. They think this is the first time in the Obama administration that we have talked about increasing the debt limit. It is the fourth time. He keeps coming up with trillions of dollars of deficit each time—\$5 trillion in three budgets. Believe me, it is not anybody else in this Chamber. It is not in the other Chamber, the House. It is one person—the President—who has come out with his budget. He signs it and sends it to us.

Well, that is a total of \$5 trillion over the last three budgets. Some may think it is just not possible that this could be happening. This is the fourth time he wants to increase the debt limit.

This is the strategy: Go out and spend all this money like drunken sailors, and then come right up to the last minute and say the world is going to come to an end unless you increase the debt limit. You have to stop someplace, and I decided the last time he did this that I was going to stop unless we had some type of discipline.

The only discipline out there is the cut, cap, and balance budget amend-

ment. I think we need to look at this carefully because if you stop and put this down—what I normally do on something like this is say: How does this affect the average person? This increase in debt just in this period of time would be \$11,000 for every man, woman, and child—an increase from the time this President took office. That is an increase, and the total amount of debt they would owe would be \$46,000. That is the day they are born. Happy Birthday.

Well, over the past several weeks, we have talked about what to do about the debt limit. I have looked at the three major plans out there. Looking carefully, the problem I have with the plan that has come up—called the Gang of 6, or the Gang of 7 depending on which group you are looking at—is that it has some intangibles in there.

For example, the military cuts—it doesn't say where they are, but we are talking about it—almost \$1 trillion over a period of 10 years.

I am on the Armed Services Committee. I can tell you that I don't know where that will come from until they come up with more specifics—and they might do it, and it might be plausible. As it is right now, the cut, cap, and balance legislation is the only one I have seen that would really work. I haven't been involved in all these discussions. A lot of people are certainly working to try to come up with answers, the ones going to the White House every other day talking with the President. I don't happen to be one of those. My major concern right now—and I will at least mention this, because I have done several shows today to try make people understand—is, yes, the deficit and the spending, all that is terrible, but what is equally as bad—and that nobody knows about—is what is happening in terms of the regulations. We have all these programs this administration has tried to pass. I would say the main one that people are familiar with is cap and trade. Remember the old thing that has been going on for 10 years now—the cap and trade? That would cost the American people somewhere between \$300 billion and \$400 billion a year. That is a huge thing. Bringing that figure down to every taxpaying family in my State of Oklahoma, it would be a little over \$3,000 a year, and you get nothing for it.

According to the President's own Director of the Environmental Protection Agency, Lisa Jackson, when I asked her on the record if we were to pass any of these cap and trade bills, would it reduce CO₂ emissions—assuming you want to reduce CO₂ emissions—she said no, because this is only applying to the United States. Let me carry it one step farther. As we run out of ways to create energy in America, we will have a job flight from our manufacturing base, which would have to go to places such as China, India, and Mexico, where they do not have any emission restrictions. So, if anything, it would increase emissions.

I am very proud of the Senate, because now we have perhaps, at the very most, 24 votes to pass cap and trade. So what does the President do? He says: Fine, we will do it through regulations. So, through regulations, he is attempting to do that. And we will hear next week of another example. In fact, there are six major areas where regulations are costing taxpayers hundreds of billions of dollars. Another one he is going to announce next week is going to be a tightening in the standards on MACTs, and it is one that is going to cost in the neighborhood of \$90 billion each year. So in just two of these regulations you have \$400 billion a year in costs to the American people. People just aren't aware of that.

Some smart guy in my office went back and said: You know, you are not the first person to be concerned about the cost of these regulations. Politicians don't talk about it because no one understands it. But Ronald Reagan, back in 1981, said this:

Overregulation causes small and independent businessmen and women, as well as large businesses, to defer or terminate plans for expansion.

That is what he said. And then he said:

I have asked Vice President Bush to head a cabinet-level task force on regulatory relief.

That was the first Bush he was referring to there. So they realized it back then, the cost of overregulation. But it has gotten to the point now where it is every bit as important as the spending problem.

But we are talking about the spending problem right now, and there is nothing complicated about it. When you spend more than you take in, you go into debt, and we can't keep doing that forever. We keep getting these budgets from the President each year—three budgets now totaling a greater increase in debt than all Presidents since George Washington combined. Nobody seems to understand and no one seems to care that we can't keep doing that. We are going to have to do something about it for future generations. I think we are going to do it. I hope when this vote comes up—and I think it has been set for tomorrow—on the cut, cap, and balance legislation, it will be something that will be seriously considered, particularly by people who are coming up for reelection in 2012. They need to be thinking about this, because this will be a huge issue. To stand here on the floor and not vote for a balanced budget amendment—during this crisis we are facing now—is something everyone will have to answer to.

So while the caps we talk about in the cut, cap, and balance legislation would be over a period of time, it is no good unless you have some kind of enforcing mechanism. This bill we will be voting on tomorrow, I understand, does have that enforcement mechanism. It has sequestration. These are automatic cuts, so that if Congress decides it is going to spend above the caps that are

allowed, then automatic sequestration goes into effect. It works. It is enforceable.

We have watched spending go up. I am reminiscing here that this has been going on for a long time. People are saying: Well, we are not going to be able to pass a cut, cap, and balanced budget bill because they have been trying to pass a balanced budget amendment for some 40 years or so and they haven't been able to do it. I think this is a unique time that is different than the past 40 years. This is the first time I have seen where the average person knows we can't sustain this thing. We can't go from a budget running the United States of America from \$1.5 trillion and then all of a sudden it is \$3.5 trillion under just one President. You can't continue to do that.

I remember way back many years ago, when I was in the State legislature, there was a great Senator named Carl Curtis from Nebraska. Carl Curtis was quite elderly at that time, and he had been trying to do a balanced budget amendment for probably 20 years at that time. This was back in the 1970s. He came to me in the State legislature in Oklahoma and said: I have an idea. The argument they use against a balanced budget amendment is that three-fourths of the States would never ratify it. So, he said: Let's preratify a budget balancing amendment.

He was kind of a genius. I happened to be the first State legislator he approached, and he asked me to take it on as a project. So the State of Oklahoma was the first State in history to preratify a balanced budget amendment to the Constitution. It was kind of fun. Then it was so popular that others started doing it, and we got right up to the three-fourths but couldn't quite get over that. But that is something that took place many years ago.

This is something we know is not easy, it is something that is difficult to do, but we now have another chance. It is the first time we have had a chance where the majority of the people, by polling, are expressing their outrage and stating that we are going to have to do something. Even though we have raised the debt limit countless times, this is the one time it is getting all this attention, and it is getting this attention because we all know we have something that is no longer sustainable. So we have another chance at the balanced budget amendment provision in the cut, cap, and balance bill, and it would prevent the debt limit from being raised until Congress sends one of the three balanced budget amendment proposals to the States for ratification. In other words, the amendment would have to pass both Chambers by two-thirds majority before the debt limit is allowed to increase. This makes sense. It is a permanent solution to our problem.

Within 5 years of ratification, the amendment would require Congress to pass a balanced budget every year, and it would cap total spending at 18 per-

cent of GDP. Right now it is above 20 percent of GDP, so it is even lower than the caps we have had before. It would also require a two-thirds majority to raise taxes. We all know conditions could change—we could be in a war—so this does have a deficit provision which I think is very responsible. The balanced budget amendment is the only reform that will put our Nation on a true path for permanent fiscal stability. It will force comprehensive and real changes to the Federal Government and its spending priorities. If it is ratified, it would avert the risk of a debt crisis. In short, it would put our Nation on a path to limited government it has not seen in years. So I think this is the opportunity.

We have three different opportunities coming up. We have heard about the proposal by the Republican leader and by, I think, the majority leader. That might be some kind of last effort, and maybe that is what we will be considering. But the first and the best and the easiest—and the most fiscally responsible—is the cut, cap, and balance bill. So we will have that opportunity tomorrow. It is very significant we take advantage of that opportunity. I am not the pessimist most people are. I think we have a shot at this thing. If the American people are watching carefully, we could pass this thing.

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

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

Mr. COATS. Mr. President, I come down here frustrated and hopeful. I want to see the glass half full even though we have been through a frustrating number of days and months dealing with our debt crisis, and here we are careening toward another crisis. Congress went through this earlier in the year. It seems as though the only way we ultimately get things done is to take it right up to the edge and then come through with an agreement. I don't think it is fair to the American people. It clearly isn't a formula for providing certainty in our economy for those who are running businesses and for households that are making tough decisions.

If there is one word that characterizes where we have been this entire year, it is "uncertainty"—uncertainty about what the future is going to look like. Are we going to default or not? Do we have enough money to pay the bills or not? What are the consequences of a potential default? When we had the continuing resolutions to provide funding for the rest of the year, we went from one extension to another extension to another. Everything is in limbo. How can you run an economy, how can a business man or woman

make a decision if they don't know what is coming down the line in terms of taxes, in terms of regulations, in terms of the economic climate, in terms of whether people will be buying, selling, or just sitting on their money?

Into the third year of a slowdown and recession, the economy is growing but not growing at a rate that is putting people back to work. We all want to get the economy moving again, and inserting certainty into the process will certainly be a positive step forward.

I think there is virtually unanimous consent that this government has grown too big, it spends too much, it doesn't have the revenues to pay for what it does, and there needs to be real reform taking place soon.

We are 12 days away from August 2, the date the Treasury Department has indicated we run out of money and don't have enough to pay our bills. Obligations that have been committed to and promised can't be paid because we won't have the funds to do so on August 2.

We have known this day was coming for a long time. We were originally told we would run out of money in March, and then for some reason it was moved to May and then to August. I don't know how they are moving money around at the Treasury to extend this particular date, but it appears we are now at the end of the road, we are at the wall, and decisions have to be made.

Are we going to take the necessary steps, make the tough decisions, and do what we need to do to control our spending, to put in place mechanisms that will ensure we don't continue to do what has been done over the past several years, and put policies in place that will stimulate our economy and get people back to work? After all, it is really all about jobs. It is all about an economy that is providing opportunities for young people coming out of college and high school, opportunities for people to buy homes and raise their families and save money and send their kids to school, to keep a good-paying job, to be able to pay the mortgage and all the bills that come to the household every month. That is really what it is all about. Unless we address these issues before us here fiscally, we are not going to get to the point where people have hope for the future.

I said I am frustrated, and I guess I just expressed some of that frustration, but I am also hopeful. I am hopeful because in times of crisis, solutions can be found. We wish we could do it in a more systematic way. We wish we had done it in the past several months, but we didn't, so here we are. And now I think the focus is clearly on getting to a solution.

We are debating a plan called cut, cap, and balance—cut because we are spending more money than we can afford to spend; cap because we want to put procedures in place not to spend more than we can afford in years to come; and balance, a balanced budget

amendment to the Constitution so that when Members come here and put their left hand on a Bible and their right hand in the air and swear to uphold and support and defend the Constitution of the United States—and that Constitution says you can't spend more than you take in, you need to balance your budget just like households and businesses all across America, and virtually all of our States have these either in statute or in amendment form, the Federal Government excepted.

I don't believe Congress has demonstrated the discipline necessary to run a fiscal house that is anywhere close to balanced. Despite all the wonderful speeches that we are going to cut this and do that and provide for this and provide for that, we have just seen an explosion of debt, an explosion of spending regardless of what the revenues coming in happen to total. A constitutional balanced budget amendment will give us the spine and backbone and the duty and responsibility to uphold the Constitution in that regard and achieve and make the tough choices, make the tough votes every year.

This happens in our State every year. We somehow survive, and in fact we are doing pretty well because our legislators have to go before the people and say: That is a good idea; but we have to balance our budget. We could raise your taxes to pay for that if you want that extra program or we can cut another program and substitute the money saved from that for this program or, we just can't go there. We don't have the money. These are the choices we have to make, and this is the responsibility we have.

I said I am hopeful. Why am I hopeful? I am a baseball fan, sports fan, basketball. I have seen so many sports situations where the announcers have said or the spectators have observed that it is hopeless, there is no way they can come back, there is no way they can pull this out, but then I have seen miraculous comebacks in the fourth quarter of basketball games, maybe the last 2 minutes, in the bottom of the ninth where you have just about written off any chance of victory at all, and all of a sudden they come from behind. Whether it is soccer, baseball, basketball, or any sport, we all have experienced situations that give us hope.

Even though the clock is ticking down, as it is on this debt limit date, and even though some are saying we are never going to get there, I am hopeful we can come forward with a sensible plan. In my opinion and in the opinion of many, the cut, cap, and balance is a plan that can get us to where we need to go. Clearly, first we need—and cut does this—to address our spending issue, and then cap so that we don't keep running into this year after year, and then balance so that we are committed to it for the long term. In order to get there, this provision before us gives us the opportunity to do just that.

The reforms that we need to address—not just cutting but addressing the out-of-control, deficit-driving entitlement programs that need to be reformed in order to save those benefits and save those programs for the future, not take them away and not watch them go into insolvency—all those need to be addressed, and I hope they will be, and this is the plan that can get us there.

We will be voting on this tomorrow morning, and I am urging my colleagues to look at this in a serious way.

There has been a lot of criticism of various plans that Republicans have put forward. Yet the President hasn't put anything forward. My colleagues across the aisle, the Democrats, haven't put a budget forward or a plan. We get criticism because they don't like this part of our plan or they don't like that part of our plan. We aren't saying our plan is perfect, but where is yours? We have nothing to measure it against. Democrats are in the majority in the Senate, but nothing has been brought forward here for us to debate or vote on. There is no way we can stand here and say, here is our plan, what do you like about it, what don't you like about it, or for you to stand here and say, here is our plan. Let's work together to meld these two things together. Maybe we can find a compromise. Nothing has been provided by the other side.

We are here with cut, cap, and balance, and people said: No, that is not the one. People have said: Gang of Six—no, that is not the one. People have said that of other provisions that have been brought forward: No, that is not the one. Well, OK, fine. You don't like that? What is the one? What is the one that gets us there?

So as we approach the very end, we have to understand that the consequences of what we do are enormous. Doing what is right for the future of America and the future of the American people, the future of generations to follow, is what ought to be driving us at this point toward reaching a rational, sensible solution to put us on the path to fiscal responsibility and get our financial house in order.

Just hours are left before we have this vote, and if this vote doesn't pass, as many are predicting it won't, and the President has said he will veto it if it does, I am still hopeful we can pull something out here in the bottom of the ninth. And if it doesn't pass, where do we go next? So we need leadership, and we need leadership from the leader of our country to guide us where we need to go if they are going to just simply reject everything we put forward.

Let's be very careful how we evaluate our vote tomorrow and the implications it has for the future of this country and the fact that the clock is ticking louder as we careen toward a serious crisis on August 2.

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

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

Mr. LEE. Mr. President, since I was sworn into office this January, about 6 months ago, the House and the Senate have both been understandably and properly concerned with one issue that has perhaps eclipsed every other issue that has come before us in this half-year period of time; that related to our national debt and the anticipated expiration of our debt limit which will hit in just a couple weeks. Many Americans are understandably concerned and have articulated the concern that if we pass the debt limit deadline of August 2 without raising the debt limit, there could be catastrophic financial consequences.

In light of that, I, along with a number of my Republican colleagues both in the Senate and in the House, have introduced legislation called the Cut, Cap, and Balance Act to address the debt limit, to address it head on. It says we will raise the debt limit if three conditions are met: first, that we make significant cuts to domestic discretionary spending for the fiscal year 2012 budget; second, we need statutory spending caps to put us on a smooth but steady glidepath toward balancing our budget sometime within the next decade; third, we need a balanced budget amendment passed out of Congress and submitted to the States for ratification.

We think all three of these steps are necessarily required before we take the significant additional step of raising the debt limit. Because of the fact that it took us a long time to get to this point, the point where, by the end of the year, we will have accumulated \$15 trillion in debt—about \$50,000 for every man, woman, and child in America, between \$120,000 and \$150,000 for every wage earner in America; this is a lot of money—before we extend that debt limit again by an additional \$2.4 trillion, we have to solve the problem. We have to address the problem that led to its creation in a real, lasting, binding fundamental way.

That is why the most critical part of this legislation, while each part is important, happens to be found in that which rests upon the idea of a balanced budget amendment to the Constitution. We as Members of Congress could decide right now that over the next 10 years or 15 years, it might be a good idea to cut spending by \$2 trillion, \$3 trillion, \$4 trillion, \$5 trillion, \$6 trillion, perhaps more—but if we made that promise today as a downpayment to the American people in exchange for the permission of the people to raise the debt limit, it is a promise we cannot make good on because we cannot bind a future Congress.

This Congress was sworn in in January of 2011. Elections will be held in November of 2012 and a new Congress will be sworn in based on those elections in January 2013. The same thing will happen again in January 2015 and every 2 years after that for the duration of our Republic. The decisions we make right here, right now can affect the here and now and can be binding for the here and now, but we cannot reasonably expect and we cannot ask the American people, when making a decision so long-lasting and precedent-setting as this one, to simply trust us that future Congresses will see things the same way we do.

The only way we can bind a future Congress is by amending our law of laws, that 224-year-old document painstakingly ironed out by some of the brightest men of the last several centuries in Philadelphia 224 years ago.

When we amend the Constitution, we make it possible to bind a future Congress. That is what we need to do. We have had some interesting debate and discussion surrounding this proposal. Last Friday, I listened with surprise and dismay as our President said we don't need to amend the Constitution to require a balanced budget, but we do need to balance our budget. In the opinion of the President, Congress just needs to do its job, not amend the Constitution.

I think I understand his point. I think he is suggesting that for Congress to do its job it needs to balance its budget. But I have to ask the question, how has that worked out for us? Have past Congresses balanced their budgets? Has the current Congress balanced its budget? Overwhelmingly, the answer is no. It happens every now and then. Some would describe those instances where it has balanced in the last two or three decades as an accident; others, a momentary blip; still others would suggest it was the product of accounting gimmickry rather than an actual act of budget balancing when that occurred.

Regardless, we know that balanced Federal budgets are newsworthy indeed because they are very rare. I look forward to the day when they are no longer newsworthy, when they are customary, and the only way to make them customary, based on our experience as Americans throughout most of our Nation's history, is by amending the Constitution to require it, to make this a binding and permanent law.

I was shocked and dismayed again to learn that our Senate majority leader, Senator REID from Nevada, stated just a few hours ago that he does not like this legislation. He made some very disparaging comments about it, notwithstanding the fact and completely ignoring the fact that this is not just the best legislation to address the debt limit issue, right now it is the only legislation. It is the only legislation that addresses this issue that is moving through Congress and that has been reduced to legislative language. It is cer-

tainly the only one that has been passed by one body of Congress and is now moving over to the Senate.

He is criticizing something when he himself has not offered anything. This is the only show in town. Given how close we now are to the August 2 deadline and, in part, because we punted this so long and, in part, because we have not been having the debate and discussion in Congress we should have been having for months, this is it. This is the only proposal.

If Senator REID has suggestions on how we might change this proposal, I am all ears. I would love to hear what they are. If he has his own proposal, I would love to see what that is. But simply to stand from that desk over there and disparage this legislation is inexcusable, absolutely inexcusable, given the fact that he has offered nothing.

Let me read some of his words. He said: "The American people should understand that this"—"this" meaning the Cut, Cap, and Balance Act—"is a bad piece of legislation, perhaps some of the worst legislation in the history of this country."

I don't know what he is referring to. He didn't give specifics, nor has he given any specifics on what he would like to see in its place or how it could be improved. My suggestion to our Senate majority leader is, if he has ideas, please put them on the table because, as we approach this debt limit deadline, we are running out of time. The clock has been ticking for 6 months. We have known this was going to happen. This is not news to us.

Why, then, has there been so little debate and discussion in this body? Why is it that we spent weeks and weeks and weeks, often dealing with legislation that paled in comparison to the importance of this issue. The clock kept ticking and we kept debating and discussing other legislation far less important.

This, in my opinion, was a gross dereliction of duty. But we still have a few weeks. We can still deal with it. We can still address it. I suggest strongly that we address it by starting with that legislation that has actually been proposed and that we have full debate and discussion.

But, no, we are told. Even after the House of Representatives earlier this week passed the Cut, Cap, and Balance Act, passed it with bipartisan support, by the way—no fewer than five members of the Democratic caucus in the House of Representatives voted to support this. That was passed Tuesday night. We were told later we would be having a vote on Saturday or perhaps Monday. Then, just a little while ago, we were informed by the Senate majority leader that the vote would be tomorrow, giving us little or no time for actual debate and discussion on the floor of what is still, to this moment, the only legislation moving through to address this issue.

This is not an appropriate moment for demagoguery. Demagoguery on an

issue this important can result in a lot of unnecessary pain. No one disputes that there could be significant negative economic consequences associated with not raising the debt limit. I do not dispute that, not for a moment. That is exactly why I put my neck on the line in order to file this legislation because nothing else was moving forward. I didn't want to do it, but when I was sworn in as a Senator just a few months ago, I understood it was my obligation to do what I could to make things better, to make our constitutional system work. So I filed it.

It is an insult, not only to me and to my colleagues but to all Americans when addressing an issue this important, to have so little debate and discussion over this issue. I find it appalling. I find it reprehensible. I demand an explanation, and I demand an alternative solution, if the Senate majority leader is going to pick this apart and say he will not do it. Moreover, I will remind the Senate majority leader that just a few short years ago, in 2006, when we had a different President, belonging to a different party, and this body was in control of another party, if my memory serves me correctly not only did then-Senator Barack Obama vote against raising the debt limit, calling the need to do so the product of a failure of leadership that he was not willing to condone and perpetuate, but every single one of his Democratic colleagues joined him in that vote. Not one of them voted to raise the debt limit.

Here we are again approaching the debt limit. Here we are again with only Republicans stepping to the plate and offering a solution. Only this time the solution is a permanent one. Unfortunately, in 2006 and prior and in subsequent debt limit extension votes, there was no serious debate attached to it as to a permanent solution.

We have to amend the governing document, the law of laws, the only kind of law that can bind future Congresses in order to solve this problem. We have to do it now. This is part of what it means to be an American.

We, as Americans, crave liberty and we eschew tyranny to any degree. Every single time we authorize deficit spending we fuel the unfettered expansion of the Federal Government and all its power. We commit ourselves and our posterity to a future that will include working more and more hours and days and weeks and even months just to pay their Federal tax bills every single year. That is time they will not get back. That is time we will not get back. That erodes our individual liberty.

It also erodes our liberty when the same regulatory structure that exists today grows bigger and bigger every year because we are borrowing now more than \$1.5 trillion every single year—not because of some aberrational condition, some unusual development that requires an unusual expenditure of borrowed money, but just to cover our

basic day-to-day operations. This is what fuels the perpetual expansion of government, and when government expands perpetually, our individual liberty is diminished, unfortunately, and to a corresponding degree. This is unacceptable.

But there is a way home. The way home is found in limiting the role of government. We can limit the role of government most effectively at this point in time, I believe, by limiting the pool of money to which Congress has access. The only way to do that is through a constitutional amendment.

I wish to close by addressing one final argument that sometimes has been used in response to and against the Cut, Cap, and Balance Act. Many of its detractors are making the claim that I find extraordinary, a claim that says: Why are you even supporting this because it can't pass. It is a little bit akin to saying: Why do we even play the Super Bowl when it is expected that one team is going to beat the other team. We have to play. But this one is not a game. This one is for real.

When we vote after debating and discussing, Members of this body can and will be held accountable to our constituents. So it will be up to me and each of my colleagues in this body to decide how to vote on this issue. For those who make the unfortunate decision to vote against this, notwithstanding the fact that 75 percent of the American people strongly support the idea of a balanced budget amendment; notwithstanding the fact that 66 percent of Americans—both of these figures according to a CNN poll today—support the principles underlying cut, cap, and balance; notwithstanding the fact that this is the only permanent way of solving our debt problem, if Members of Congress and Members of this body choose to vote against this legislation, they will do so, I believe, at their own peril. They will have to face their constituents and explain why a handful of them were unwilling to raise the debt limit, unwilling to address this problem, unwilling to fix the perpetual deficit spending habit of Congress simply because they did not want a balanced budget amendment to the Constitution. I think that is a tall order. I think that is difficult to explain. I think those who try to make that explanation to their constituents will do so at their own political peril. But, more importantly, the vote they cast will be at the peril of the people of the United States of America, of their liberty, of their economic stability and of their ability to prosper now and in the future.

We can turn this ship around, but in order to do it we need robust debate and discussion, and our constituents deserve more. The American people deserve more than to have the kind of sleight-of-hand scheduling and the kind of dismissive, cavalier attitude toward what is being characterized correctly by many as the fight of an entire generation.

We need to pass the Cut, Cap, and Balance Act. It is not only the best solution, it is the only solution. The time is running out, and I urge each of my colleagues to support this.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. I thank the Senator from Utah. I am just a bit taken aback by the majority leader's decision to alter the course that I thought we were on that would allow for debate and work on a bill to deal with the budget, the debt ceiling, and our budget deficit tomorrow. In some of his comments he made today after he changed his mind yesterday, he said:

I'm committed to having a fair and full debate on this bill. I want the proponents and opponents to have time to air their views.

And so forth. Then he says:

I think this piece of legislation is about as weak and senseless as anything that has ever come before the Senate. I am not going to waste the Senate's time day after day on this piece of legislation which I think is an anathema to what our country is about.

And he goes on to say:

The American people should understand this is a bad piece of legislation, perhaps the worst legislation in the history of this country.

That is what the majority leader said just a few hours ago. Well, let me ask Senator LEE—he is newly elected from the State of Utah. He has traveled all over the State.

Did the Senator share with his people at various times in his efforts that he thought a constitutional amendment, like so many States have to contain spending, is good and sound policy? Did they hold that against the Senator or does he think his election was an affirmation of the cry of the American people that we take some action that would actually constrain spending?

Mr. LEE. On countless occasions throughout the State of Utah, I have articulated the fact that I believe we have no business raising the debt limit without first adopting permanent structural change in the form of a constitutional balanced budget amendment. The people of Utah elected me in part based on that promise. Elections have consequences, and in my case this was one of them.

Mr. SESSIONS. I am flabbergasted by the majority leader's comments. He said:

I think this piece of legislation is about as weak and senseless as anything that has ever come up on the Senate floor.

Well, wouldn't the Senator say that compared to all the other legislation we are talking about passing—and some of it has some teeth to it, I acknowledge—but compared to all of that, a constitutional amendment that requires us to live within our means is certainly not a weak piece of legislation.

Mr. LEE. I would hardly call it weak. Quite to the contrary. Calls for legisla-

tion such as this date back a couple of hundred years. Thomas Jefferson was arguably the first one to suggest this kind of proposal. He called for it again and again, and those calls have continued throughout most of our history, but they have accelerated in recent decades. They have accelerated because this body has refused to balance its budget, and it has abused its borrowing power to the point we are spending more than \$1.5 trillion a year more than we bring in. It is bankrupting our country. We are burying our children under a mountain of debt. We are killing jobs, we are spending money we don't have, and that is wrong.

I would hardly call legislation designed to deal with that in a permanent binding way senseless, and I am insulted that the majority leader would suggest that this is somehow senseless just because he doesn't like it because it will make him less powerful.

Mr. SESSIONS. Well, I think that is getting to the nub of the matter. I think it is a sense in which—now for a constitutional amendment to pass, it has to have a two-thirds vote in the Congress, both Houses, and three-fourths of the States. Once passed, no majority leader could come in next year and say: Well, I know I have been in favor of balanced budgets, but I don't want to do it this year. I have more spending I want to occur.

It would, indeed, curb the power of the majority leader and actually some newly constituted Senate to spend more money than the government takes in, would it not?

Mr. LEE. Yes, it would. The whole purpose of the balanced budget amendment is to restrict our power and give that power back to the people where it belongs. The power has been abused here. It has been abused over a prolonged period of time, and it has been abused to a severe degree. This is why the election of 2010 brought about some significant outcomes.

Mr. SESSIONS. I couldn't agree more. I think the American people rightly have concluded that our Congress of the United States that borrows 40 percent of the amount of money it spends—because it is spending more money than it takes in—is acting irresponsibly.

As I have noted earlier, somebody said: Oh, you know, the tea party is angry. Well, why shouldn't they be angry? We have completely mismanaged the American people's business. We are elected to be responsible leaders. Nobody, I believe, would come to the floor of this Senate—I would like to see if it happens—and defend what we are doing, borrowing 40 cents of every dollar we spend no matter what it is on. And the President proposed his budget for next year that would include a 10-percent increase for education, 10-percent increase for energy, 10-percent increase for the State Department, and we are spending money that we don't have.

So I think a constitutional amendment would require a major participation by the American people and all the States of America would discuss it. If the American people decide they believe Congress needs to be restrained and pass that constitutional amendment, what is wrong with that? Isn't that a legitimate way for the American people to have their voices expressed according to the Constitution?

Mr. LEE. There is nothing wrong with it, and quite to the contrary. This is exactly the kind of activity that our Constitution contemplates, authorizes, and with good reason. I should note here it is significant that in this body each State is represented equally. A relatively small State such as mine, the State of Utah, has the same number of Senators as a large, heavily populated State such as California or such as New York because we represent the States. We represent the States as States.

One of our jobs is to make sure that their sovereign interests are vindicated in this body. To suggest that we should not balance our budget, to suggest that we should not propose a balanced budget to be considered by the States—keeping in mind that it is the States ultimately that ratify it if three-fourths of them choose to do so—is insulting to the very States we represent. It somehow suggests our States can't handle it when the States overwhelmingly, almost every one of them, balance their budgets every year.

Mr. SESSIONS. Well, I agree with that, and it is just odd to me—and contrary to the heritage of the Senate—for the majority leader to assume as much power as is being assumed now. I am ranking member on the Budget Committee, and essentially the Democratic leadership told the Budget Committee not to even mark up a budget this year even though the statutes of the United States in the United States Code require Congress to have a budget.

I know the Senator is a skilled lawyer. His father was Solicitor General of the United States. It is probably the most prestigious position a lawyer can have in America, in my opinion. To be able to stand before the U.S. Supreme Court and to represent the U.S. Government in court is an honor that is very high. So he is a student of the law, and I know he is familiar with the statutes of the United States that require a budget. It doesn't say you go to jail if you don't, I will admit, but it says we should have a budget.

Does the Senator think the people in Utah—and I think the people in Alabama—would think we should have a budget because it is the right thing to do, No. 1, and, No. 2, we should do it because it is the law?

Mr. LEE. It is the law, and notwithstanding the fact that we don't have a court order enjoining us to do that, we still have taken an oath to uphold the Constitution. I think that means especially on an issue so fundamental, so important, so sweeping as the budg-

eting process, we should be complying with that law or at least making an effort to do so.

What I see here is not only a lack of effort to comply with that law but a deliberate, conscious effort made with malice aforethought to avoid the law. That is damaging. That is wrong.

Mr. SESSIONS. The House of Representatives passed this bill. They passed it by more than a few votes to spare and sent it here. I believe if the American people knew what was in it, they would favor it. The people in my State would favor it. I think the American people would favor it. How does the Senator think the good people in the House, the good people of America, who overwhelmingly favor a restraint in spending and balancing our budget, would feel about the leader curtailing our debate on this important subject and saying:

I think this piece of legislation is about as weak and senseless as anything that has ever come on this Senate floor. I'm not going to waste the Senate's time.

Mr. LEE. I think the American people would be profoundly disappointed by that statement. More importantly, they would be profoundly disgusted by the fact that it wasn't enough for the Senate majority leader simply to say: I disagree with it or to point out areas in which he might disagree with it or might want to improve upon it. He went so far as to say it is not even worth our time to debate and discuss this. That smacks of tyranny. Americans don't respond well to tyranny, and this is unacceptable.

Mr. SESSIONS. I have to say I think we are having a problem in the Senate. I consider the majority leader a friend. I know it is a very difficult job. I have said that many times. I wouldn't want it. Trent Lott said it is like herding cats or it is like pushing a wheelbarrow with frogs; you put one in and two jump out. It is a tough job, but he asked for it.

The Senate is a great institution. I don't know what Robert Byrd, the late Senator from West Virginia, would say if he were here. I think I know. I think he would be very uneasy about the process we have gone through this year when, through the power of the Chair, the majority leader has blocked legislation after legislation, has blocked us moving forward with a budget, refusing to allow the committees to move forward, and refused to allow the budget even to come up last year.

We are now I think 812 days without a budget in the Senate, running the largest deficits the Nation has ever run, and those deficits are not transient. They are not going to turn around when the economy picks up a little bit. It is a systemic, deep, structural problem, and we are endangering our future. We are being blocked from even being able to discuss it while people meet in secret over at the White House with the Vice President, with the President, and a few others meet with a group of Senators. Nobody elect-

ed them, but they are good people. If they want to meet, that is fine. We need to be seeing legislation, actual bills we can take to committee and score and see how much they cost.

Being the student of American law and the Constitution as the Senator from Utah is, and being knowledgeable about common people, does the Senator think the American people think there is something wrong with this process, where we have gone all year long and not done anything of significance to deal with the most significant issue facing our Nation maybe in the next decade, and that is the size of our debt?

Mr. LEE. Absolutely. Absolutely. Look, the American people understand that power is most dangerous in government when it is consolidated into the hands of a few people. It becomes even more dangerous when that power is wielded under cover of darkness.

The great thing about sunlight is it illuminates and it disinfects. We need that illumination and that disinfectant during that process, because it is corrupt. A process that allows something of such profound importance to be decided by a handful of people, who tell their colleagues: You plebeians don't worry about it; this is for us high-minded people; we will decide; you will follow; and we will do it in such a way that you won't have time to read it, to review it, to debate it, to discuss it; this is corrupt, and it has to end.

Mr. SESSIONS. Mr. President, I think what the Senator has said is sadly too truthful. I do believe this is a corruption of the process. I believe it has been happening over a period of time since I have been here. I have seen it happen more and more. Both parties have done a lot of this, but I do believe it has reached a new height this year.

I think Senator REID believes in the Senate. I think he respects the Senate. I do. But I think he is under constant pressure, and they have decided that—some of his Members, I guess, didn't want to stay here this weekend. They wanted to go home. They had a speech they wanted to give or a party they wanted to attend or a fundraising event they wanted to go to, so they don't want to stay here this weekend. Just yesterday, I think it was, Senator REID was complaining about the House going home this weekend, and promising we would stay here and we would work. Now, all of a sudden, anybody who stays here and wants to vote on a bill that passed by a substantial majority in the House of Representatives, he says is acting—he says the bill is anathema to the Senate, and senseless, and not worth our time to talk about. How does he get to decide this?

Mr. LEE. He gets to decide it only if we allow him to decide it. We outnumber him, and if we vote contrary to his will, we can overrule him. If enough Members of this body are willing to stand up for truth and justice and the American way, debate and discussion

and the rule of law, this thing he is trying to do to us won't happen. We can have actual debate and discussion.

We have responded. We have responded politely and well to his directive that we would stay here this weekend. We had made plans. We have canceled plans in our home States. All of a sudden, his high and mighty speech earlier this week telling us we had to stay here is no longer important when he disagrees with some legislation we put forward. He would rather shut down debate and discussion. He would rather end the process that is absolutely necessary to avert this crisis that is quickly coming than he would have to confront the facts, offer up his own solution and respond to the valid points that have been made in this debate and in this discussion.

Mr. SESSIONS. It is an important issue, I think. I really do. I wish to make this point: There is only one bill that has passed and been advocated, that is actually on the floor of the Senate, that raises the debt ceiling and changes our debt course in America, and that is the bill the Senator from Utah has brought up—the cut, cap, and balance bill—the bill he has been so articulately describing and advocating. That is the only bill.

They say this is senseless. Well, do you have anything that raises the debt ceiling and does something about the debt of America? Does anybody else in the Senate? Or, if they bring it up, will they be blocked from bringing it up? I don't see it. The only legislation is this legislation. It is not senseless. It is very significant.

When I came to the Senate the first year in 1997, we voted on an amendment to balance the budget, a constitutional amendment. We thought the votes were there to pass it, taking all the people who voted for it and when they said they were going to vote, there were enough votes to pass it, it appeared, and at the last moment several Senators changed their vote and it only got 66 votes. Had it had 67, it would have gone to the States. I am convinced that balanced budget amendment would have passed. Had it passed, we wouldn't be in the financial crisis we are in today. Now that is a fact, I believe.

I don't think this is a senseless process. I believe people—if they don't agree with this legislation, if they don't agree with it, let's hear why. But to come down and trash it—trash the Members of the House who voted for it, trash the American people—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SESSIONS. I thank the Chair and ask unanimous consent to have 1 additional minute.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SESSIONS. To inquire, was there a time limit on this?

The PRESIDING OFFICER. There was a time limit earlier, and it was 5

p.m. to 8 p.m. equally divided, and now a Member of the other side is here. All the remaining time has expired for the minority.

Mr. SESSIONS. I thank the Presiding Officer for his courtesy. I would say, forgive me if I am a little bit offended. I don't think it is wrong to be offended when the majority leader walks in here and says a piece of legislation that is critical, I believe, to the future of America is senseless, not worth discussing. He changes his mind entirely and is going to file a motion. I guess he figures he will have the majority Members of his party who will stick with him and kill off the legislation tomorrow morning. I think it is a very valid piece of legislation, an important piece of legislation, and the only piece of legislation in the Senate that would raise the debt ceiling. I think it is worthy of respect, it is worthy of full debate, and ought not to be demeaned in the way it has.

I respect my friend, the majority leader. I am sure it is a frustrating job and every now and then you kind of say things maybe you wish you hadn't, but I don't think this is a senseless piece of legislation. I think it is important and worthy of the greatest consideration in the Senate.

I thank Senator LEE for his efforts to promote it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. AKAKA. Mr. President, I rise tonight to discuss the so-called cap, cut, and balance legislation that has come to us from the House of Representatives.

Congress is a coequal branch of the Federal Government. I have always believed it is a forum for informed, bipartisan debate of public policies that we all agree should help us achieve greater equality, opportunity, and treatment under the law, while nurturing and caring for our young and vulnerable, producing well-paying jobs, and investing in the future. That is why I have established good working relationships with my colleagues in both the Senate and the House and on both sides of the aisle. Unfortunately, this legislation abandons each of these principles.

The challenge facing Congress today is urgent. The stakes are extremely high. Congress must raise the debt ceiling to fulfill our commitments and take meaningful steps to reduce our deficits and debt. However, the policies needed to achieve these goals cannot be negotiated at the expense of the safety net that our seniors, children, working-class, long-term unemployed, and minority communities depend upon, nor should they come at the cost of good government.

The House legislation falls far short of what is needed. It makes no pretense to partisanship. On the contrary, it is a model of extreme bipartisanship. Moreover, it threatens to turn a recession into a depression. It will cut, cap, and kill Medicare, and it will leave millions

of the Nation's sick, disabled, poor, long-term unemployed, and elderly to bear an unreasonable share of burden of deficit and debt reduction. These are our citizens who are already struggling. Meanwhile, the "cut, cap, and kill" bill would protect and defend the tax havens and shelters of the wealthiest.

The balanced budget amendment portion of this legislation would do even more long-term harm. It would make future periods of economic weakness worse and restrict our ability to respond. Even though we all know it is not a part of the regular Federal budget, it would use Social Security revenues and spending as part of the formula to determine whether the Federal budget is in balance and, if not, Social Security would be subjected to the same cuts as other Federal spending. We cannot forget that an important reason Americans expect us to fix our debt and deficit is to preserve and protect their Social Security and Medicare benefits.

I will continue to work to preserve our Nation's social safety net and seek a balance between raising revenues and cutting spending in which all Americans contribute to the solution.

That said, I will oppose the House bill because it will not do any of that. This legislation was quickly and poorly considered. It leaves the vulnerable exposed to harm and seeks to weaken Congress's power to govern. I cannot support it.

Thank you, Mr. President. I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. UDALL of Colorado. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are on the motion to proceed to H.R. 2560, with time allotted to the majority.

Mr. UDALL of Colorado. Mr. President, I wished to come to the floor this evening to join a number of my colleagues from both sides of the aisle who are concerned about the Federal budget and our ever-increasing deficits and debt.

But today I am also speaking on behalf of the 4.5 million Coloradans who are worried we will not have the discipline to do anything about it. They know our great Nation will not win the global economic race unless we take some responsible action on the floor of the Senate and soon.

I have to say, I do not think the debate we have been having offers them a whole lot of solace. I say that because instead of getting to work on the bipartisan Gang of 6 deficit reduction plan, which draws from the President's bipartisan fiscal commission, headed by—I have to say this—two true American patriots, former Senator Alan

Simpson and North Carolinian Erskine Bowles, instead of getting onto that plan and the substantive proposal it makes, we are debating what looks to be a bumper sticker campaign gimmick called cut, cap, and balance. I have a hard time even saying it.

But I have to say, I have spent a good deal of time analyzing budget tools. After all, I was one of the first—and one of currently only a few—Democratic Senators who signed on to a balanced budget amendment to our Constitution this Congress.

I have also been fighting for many years for other smart budgeting tools, including pay-as-you-go budgeting, a line-item veto, and a ban on earmarks, which would help reduce waste and rein in Federal spending.

But let me be clear that cut, cap, and balance is not about balancing the Federal budget because when we read the bill, it becomes clear it is simply about ideology. While the name of the bill seems reasonable enough—it is conveniently designed literally to fit on a bumper sticker—the language of the bill does not represent a balanced approach to deficit and debt reduction, and for that reason alone I cannot support it.

As I said, I have supported the idea of a balanced budget amendment, even though a number—maybe I should say most—of our caucus has opposed the idea. However, the balanced budget amendment contained in cut, cap, and balance is not about balance. It is about locking in—if we look at it—special interest tax breaks for corporations and the wealthy, which would then force Draconian program cuts that would harm our Nation's middle class, not to mention the most vulnerable in our communities all across our country.

I have to say, this is not a balanced way to pursue deficit reduction. It makes a balanced budget nearly impossible to achieve when we get into the guts of this idea because it ties literally one hand behind our back by preventing the Congress from closing wasteful special interest tax breaks.

In addition, the bill in front of us holds the increase in the debt limit hostage. The debt limit needs to be raised by August 2 to avoid a first ever government default on our debt obligations. Cut, cap, and balance dictates that the debt limit cannot be increased until Congress approves a constitutional balanced budget amendment.

Even if one is the most optimistic person in the world, a scenario for passage, ratification, and implementation of a balanced budget amendment shows it is unlikely to take effect for at least 10 years—10 years—not 10 days, 10 years.

I have always maintained that a balanced budget amendment to the Constitution—which, again, I wish to mention I support—should be a backstop put in place only after we have made the tough decisions about reducing our spiraling deficits in the here and now.

If we were to tie our Nation's obligations to pay its bills to the passage of a one-sided and partisan balanced budget amendment, that would be bad enough as it is. But cut, cap, and balance would also lead to severe—severe—cuts in Social Security and Medicare, and it would actually lock in billions of dollars in tax breaks currently in our Tax Code which benefit the wealthiest citizens as well as Big Oil and corporations that have spent decades shipping jobs overseas.

This is such an egregious proposal that I have a sneaking suspicion it was not actually designed to pass the Senate. I believe it was designed to be a campaign gimmick because it certainly does nothing to address the problems we face right here and now, which is the looming default of our government, the U.S. Government.

Let me be clear—and I think the public has begun to understand this—raising our debt limit is not about future spending or paying for more government; it is about paying our previous bills. Business leaders, economists, rating agencies, and especially Treasury Secretary Geithner have told us our credit rating, were we to default, would take years to rebuild and that our country would never be the same if we were to default on our debt.

You know this, Mr. President. You are a businessman. We cannot ask for a do-over, a mulligan, if we default on our debt. We cannot say: Oh, we were just kidding. This is truly the real deal.

I wish to share some ways we would be directly affected by a government default. Paychecks for soldiers in Afghanistan and Iraq and at bases around the world conceivably would not go out. FAA towers could shut down. Border crossings could close. Operations at the FBI and the CIA would be put at risk. Safety inspections of the food we eat and the cargo that enters our ports could halt.

The resulting spike in interest rates would ironically make our debt even harder to tackle because each 1-percent rise in interest rates alone would result in \$130 billion in increased interest payments on our national debt each year.

Perhaps most important, hard-working American families would also feel the crunch. A spike in interest rates would effectively force a tax on all Americans and American businesses due to increased consumer costs. As important, failure to raise the debt limit would lock up credit markets because the United States would no longer be seen as a reliable credit risk.

Coincidentally, yesterday, an important consumer protection law, which Senator LUGAR and I introduced and passed—and the Presiding Officer helped us with on the floor last year—went into effect. It provides Americans with free access to their credit scores, which is so important to understanding their own credit risk.

FICO—this is some good news in a day that has a few dark clouds hanging

over it—FICO has estimated as many as 500 million credit scores will be given to Americans for free each year because of this important bipartisan law.

In working on this legislation, I learned a lot about credit scores: what they mean, how they are calculated, and how critical they are to economic success. But—and I am tying this back to our discussion today—it got me wondering, what would America's credit score look like if we defaulted on our debt? Nearly two-thirds of a credit score is based on an individual's total debt and payment history.

So here is how I think our great Nation would score if we do not raise the debt limit by August 2. We all know our debt is spiraling out of control. That is demerit No. 1. But if we now also are unwilling to pay our debts—demerit No. 2—we will be left with the credit score of a deadbeat.

I do not think that is the way we see ourselves or want to see ourselves in the 21st century's global economic race. We want to be at the head of the pack. We want to win that race. But to see ourselves as a deadbeat, that is not what America represents to me. It certainly is not the way Coloradans see us.

The people see this very clearly. They are ahead of us. They understand the risks we face. I wish to share a couple letters that Coloradans got into my hands just this last week.

Sarah Jane wrote me last week, and she was to the point. She said:

Dear Senator, I am furious about the games being played with the debt ceiling. This is really abusive to this country.

Another Coloradan, Nicholas, sent me an e-mail that said:

Dear Senator Udall, Republicans are calling for big cuts to vital programs and refusing to increase revenue. This is lunacy. As a native Coloradan, I and most others here work for a living. We don't own yachts, planes, or mansions. The thought of Republicans gutting the social safety net in order to prevent millionaires and billionaires from paying a little extra tax makes me wonder what we really value in this country.

I could not agree more. We have some tough choices to make, but some Members of Congress are so lost in their ideological rhetoric that finding an agreement on our deficits and debt seems out of reach. It feels to me—I truly do not want to say this, but it feels to me as if some of our colleagues would be perfectly fine with shutting down the Federal Government out of the belief it has grown too large. They believe a catastrophic shock to the system is the only remedy.

But I have to say, our fiscal imbalances are not caused by the things they keep saying they want to cut. Foreign aid, Federal salaries, and other programs are a tiny percentage of overall spending. In fact, Appropriations Chairman INOUE, the dean of the Senate, the President pro tempore of the Senate, noted last week that “in constant dollars, adjusted for population growth, non-defense discretionary

spending is at the same level in Fiscal Year 2011 as it was in Fiscal Year 2001, when the Federal Government ran a \$128 billion surplus.”

The fact is, our fiscal imbalances are caused by three historical irregularities: record low revenues, an increasingly aging population, and heightened security needs in the wake of September 11. They each demand thoughtful and balanced solutions, and only a bipartisan deal will get us those balanced solutions.

I have to say, no matter how much bloated rhetoric we hear, there is one simple fact; that is, we are all in this together. But it seems to me often—and unfortunately—we are in the same canoe paddling furiously upstream away from the waterfall behind us off our stern, but half our crew has thrown their paddles overboard in protest.

I do not get it. I do not understand it. What is so agonizing is that we have a bipartisan solution right in front of us. As I mentioned at the beginning of my remarks, I was thrilled to see the Gang of 6 this week report a responsible, balanced, and very bipartisan agreement. I do not agree with every aspect of it. I do believe, however, that the plan would responsibly reduce our debt and protect our middle class, while also allowing our economy—not only allowing but incenting our economy to grow.

This plan has already received bipartisan support—not just here but across the country. It is my feeling rather than arguing we ought to be acting on those recommendations. Many of us just want to get to work. It is hot here. We have taken our jackets off and can roll up our sleeves. I know there are Members on both sides of the aisle who share that sentiment even if others here are demanding they remain quiet about it.

There is no question that the fiscal challenges in front of us demand a bipartisan solution, but the clock is running, the sand is rapidly running out of the hour glass, and we have to get to work on making the necessary changes to get our fiscal house and its foundation in order.

Frankly, some issues should rise above partisanship, politics and campaigns—our country's economic and national security. By the way, the two are linked. Secretary Gates and Admiral Mullen—the Presiding Officer and I serve on the Armed Services Committee—made it very clear that they see one of our biggest threats as the country's fiscal situation. A broke country is going to be a weak country. So our economy and national security fall in the category that ought to be above politics and partisanship.

Cut, cap, and balance is wrong for our country. It represents more divisiveness, way too much gamesmanship, and more politics. Let's listen to our constituents. I shared letters from two of them from my State of Colorado who are pleading with us to get to work and focus our attention on the sensible, bipartisan Gang of 6 plan.

Let's combine it with a debt limit increase to ward off default and work together and pass it into our laws before our national credit rating is downgraded and it damages our chances of winning the global economic race.

That is what Coloradans are expecting of me, and that is what I expect of the 100 of us who are so fortunate enough to serve in the Senate. I am not being dramatic. I am not a particularly dramatic individual. But I have to tell the Presiding Officer and my colleagues that I think nothing less than the fate of the U.S. economy hangs in the balance.

I am willing to stay here day and night, weekends, holidays, to help put a long-term balanced and bipartisan plan in motion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

TRIBUTE TO BRUCE SUNDLUN

Mr. WHITEHOUSE. Mr. President, I wish to say a few words about the debt ceiling that is rapidly approaching. But on this particular day, I cannot come to the floor and speak about anything without just making one, I guess I would say, note of personal privilege; that is, that today is a particularly sad day in my home State of Rhode Island because one of the great Rhode Islanders has passed away.

Former Gov. Bruce Sundlun, whom I worked for for many years and formed a very devoted affection for has died peacefully at home with his family after one of the most accomplished and eventful lives in Rhode Island history.

I know my senior Senator, JACK REED, and I will be back on the floor at a later time to give Gov. Bruce Sundlun his proper due and recognition. But for all he has meant to me, for all he has meant to our State of Rhode Island, for all he has meant to the people whose lives have been made so much better or who have been protected from very bad outcomes by his courage and by his determination, I simply could not overlook that at this point. So more will follow on my dear friend, Bruce Sundlun.

So to the matter at hand. Less than 2 weeks from now, our Nation is going to hit its statutory borrowing limit, and it may begin, for the first time in its history, defaulting on its obligations.

Unless we act very soon, the Treasury of the United States of America, long the issuer of the safest and the most conservative securities in the world, will simply run out of money. Social Security checks, as the President has already said, would be at risk. Millions of American families would suddenly lose their household income. The Treasury would have to suddenly stop paying more than 4 out of every 10 Federal dollars, choking off all the economic activity supported by those funds.

Private sector projects across the country that depend on Federal dollars or Federal permits or Federal regu-

latory approval, all would grind to a halt—a catastrophic triple whammy on our economic activity.

In addition, an increase in interest rates would likely freeze investments and cause the financial markets to plummet. So reaching the decent limit will not just put us back into recession, it would risk economic calamity. With the stakes so high and with time so short, it is unfortunate that the House Republicans who created this completely unnecessary crisis have sent us this so-called cut, cap, and balance bill.

This bill, which cuts no tax loopholes, not one, and puts no cap on corporations offshoring jobs or earnings and dodging U.S. taxes, would do one thing: It would kill Medicare. Consistent with the Republican 2012 budget, this bill puts the costs of deficit reduction right down on those who can least afford it: senior citizens, the disabled, and our children.

The cut, cap, and kill Medicare plan the House Republicans have proposed would begin with steep cuts to Federal programs in 2011, while we are still in this recession, slashing domestic spending by over \$111 billion, and eliminating 700,000 jobs from our economy when we need them the most.

It would also require immediate cuts to social safety net programs likely reducing—or eliminating even—student loans, Pell grants, school lunches, Medicaid, and food stamps, some of the most important programs to families who are struggling to get back on their feet during this prolonged period of high unemployment. This is simply unacceptable.

The second part of the cut, cap, and kill Medicare bill would limit Federal spending beyond 2012 to levels significantly lower than during the Reagan Presidency. In fact, our Nation has not seen spending at those low levels since 1966. Mr. President, 1966 was a time when only 9.2 percent of the population was retired and drawing benefits, compared with 12.9 percent today.

So the effects of those spending levels would be even harsher. The cap on Medicare and Social Security makes no adjustment for the \$2.5 trillion of Social Security reserves that Americans have paid into that system, that the government then went and borrowed. It makes no adjustment for that being their money or for the aging population that we are experiencing.

So with a fixed cap, and baby boomers retiring in greater numbers, the Republican plan forces devastating cuts to Social Security and Medicare benefits. There is simply no other way. It would address our deficit in the worst way possible, by taking an axe to the retirement programs on which tens of millions of retired Americans rely and which most every working person in America looks forward to.

For ordinary Americans, this approach is wrong. Frankly, it is unthinkable, although it is the goal of a few determined extremists who are

driving things within the House Republican Party.

Finally, the cut, cap, and kill Medicare bill would hold the debt limit hostage to an extremist constitutional amendment that has been widely criticized, even by many responsible voices on the right. If this dangerous constitutional amendment were to pass, the Congress of the United States would be unable to respond to an economic or national security emergency without steep supermajority votes, giving even more leverage to small extremist factions in Congress, as if it is not clear that is already not too much of a problem.

As dangerous, this constitutional amendment—this is hard to believe—this constitutional amendment would make it easier to cut Medicare and Social Security benefits than to take away tax subsidies from Big Oil, from offshoring corporations, and from billionaires. It would make it easier, as a matter of law, to cut Social Security and Medicare benefits than it would be to go after these special interest corporate tax loopholes and the gimmicks that allow billionaires to pay lower tax rates than truck drivers in this country.

It builds a constitutional preference for corporate and special interest loopholes into our Constitution, a Constitution renowned around the world for its commitment to equality. Into this great document that has shown the light of equality around the world, we would build a preference for corporate special interests over working people and the retirements they count on.

Constitutional amendments traditionally move this country forward. This would be a colossal step back. In summary, adding all those different features of the cut, cap and kill Medicare bill together, the Republicans in the House would require such severe spending cuts that the only way to achieve them—the only way to achieve them—would be to, in fact, get rid of Medicare as we know it and slash Social Security benefits for seniors.

It would hurt those who depend on government the most, while giving special protection to special interests and corporations with tax loopholes and subsidies that permit them to pay lower tax rates than middle-class families—in some cases, with some of our most profitable corporations—no taxes at all. That is what gets protected.

House Republicans know their cut, cap and kill Medicare plan has zero chance of passing the Senate. It is not going to happen—not now, not ever. It has already drawn a veto threat from President Obama. Nevertheless, as this deadline looms closer and closer, with those terrible consequences portending, the House Republican extremists have forced this piece of political theater while ignoring serious and constructive proposals for deficit reduction such as Budget Committee chairman KENT CONRAD's plan, which would reduce

deficits by \$4 trillion, more than the House's budget plan. We actually do better at solving the deficit than they do. But we do it with every dollar in spending cuts matched by a dollar in new revenue from closing tax loopholes and tax gimmicks. This plan would stabilize the budget and would reassure the financial markets, and would do so without cutting Social Security and Medicare benefits on which our seniors rely and which all working Americans are counting on. It is one of the basic freedoms we have as Americans—to know that that is waiting for us.

I was proud to introduce a resolution earlier this month which would express the sense of the Senate that "any agreement to reduce the budget deficit should not include cuts to Social Security benefits or Medicare benefits." I am grateful to Senators BLUMENTHAL, SHERROD BROWN, MERKLEY, FRANKEN, BOXER, and GILLIBRAND who have joined with me on the resolution, and I invite all of my colleagues to do the same.

The Conrad budget proves that we need not attack Medicare and Social Security to deal with our deficit. His budget is living proof that there is no reason to attack Medicare and Social Security to get through our deficit situation. That attack on Medicare and Social Security is a willful and unnecessary act by the Republicans.

Well, Rhode Islanders, in increasing numbers, have been writing to me urging me to continue fighting to preserve these retirement programs, to preserve this infrastructure of American freedom. Time is running short, and Americans are counting on their elected representatives to do the right thing. It is time to do the right thing.

Let me close by reading a piece from an editorial in *The Economist* magazine. *The Economist* is a very conservative publication, and it is very much in favor of free markets. I would say, by and large, it is a Republican journal. Here is what *The Economist* said about the situation we are in now:

The sticking point is not on the spending side. It is because the vast majority of Republicans, driven on by the wilder eyed members of their party and the cacophony of conservative media, are clinging to the position that not a single cent of deficit reduction must come from a higher tax take. This is economically illiterate and disgracefully cynical . . . even Ronald Reagan raised taxes when he needed to do so. And the closer you look, the more unprincipled the Republicans look. Earlier this year, House Republicans produced a report noting that an 85 percent to 15 percent split between spending cuts and tax rises was the average for successful fiscal consolidations, according to historical evidence. The White House is offering an 83 percent to 17 percent split (hardly a huge distance) and a promise that none of the revenue increase will come from higher marginal rates, only from eliminating loopholes. If the Republicans were real tax reformers, they would seize this offer. Both parties have in recent months been guilty of fiscal recklessness. Right now, though, the blame falls clearly on the Republicans. Independent voters should take note.

So it is not just Democratic Senators coming to the floor to point out that

the crisis we are at is an unnecessary one. It is a manufactured crisis, a crisis driven by extremism, and it is a crisis that threatens the survival of Medicare and Social Security—two cornerstone programs in the economic security and in the freedom of ordinary Americans.

I yield the floor.

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 therein for up to 10 minutes each.

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

TRIBUTE TO ELAINE HAYS

Mr. MCCONNELL. Mr. President, I rise today to honor Mrs. Elaine Hays, whose story has been chosen to be recorded as part of the London, KY "Living Treasures" project.

Born in Elkhorn City, KY, on March 19, 1924, Mrs. Hays has lived in and been a part of the Kentucky community her entire life, and has called London home since 1949. She is the granddaughter of Austrian and German immigrants, and even has one ancestor who was on the McCoy side of the famous Hatfield-McCoy feud. Growing up in the Floyd County community of Betsy Layne, Mrs. Hays saw firsthand the development of the coal mining industry, as well as the devastating effects of the Great Depression.

After receiving her degree in home economics from Western Kentucky University, Mrs. Hays, sister to three war veterans, opened and subsequently ran a cannery at the Belfry High School in Betsy Layne where she was already working as a home economics teacher. Mrs. Hays wanted to help both the Nation and the families of Betsy Layne during the war by preserving food.

Mrs. Hays married her husband Earl in 1947 and taught alongside him at Belfry High until 1949. After an extensive interview process, The Hayses were hired by Sue Bennett College as teachers and program developers. Mr. Hays was to set up and run the college's farm which supplied food for the college dining hall, while Mrs. Hays was to develop a home economics program. In later years, Mrs. Hays became a "first lady" of sorts when Earl was chosen to become president of the college, a position he filled from 1958 to 1985. In between teaching and raising her two sons, Jim and Lon, Mrs. Hays still found the time to entertain students and other guests of the college. The eventual closure of Sue Bennett College was a somber day for Mrs. Hays, and her family alike, but its influence on their lives has been unforgettable.

Mrs. Hays retired in 1998 after working in the education field for 55 years.