

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Under the previous order, all postcloture time is yielded back and the motion to proceed to S. 1619 is agreed to.

CURRENCY EXCHANGE RATE OVERSIGHT REFORM ACT OF 2011

The PRESIDING OFFICER. Under the previous order, the clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1619) to provide for identification of misaligned currency, require action to correct the misalignment, and for other purposes.

AMENDMENT NO. 694

Mr. REID. The bill having been reported, Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 694.

The amendment is as follows:

At the end, add the following new section:

SEC. ____ . EFFECTIVE DATE.

The provisions of this Act shall become effective 3 days after enactment.

Mr. REID. I ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 695 TO AMENDMENT NO. 694

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 695 to amendment No. 694.

The amendment is as follows:

In the amendment, strike "3 days", insert "2 days".

MOTION TO COMMIT WITH AMENDMENT NO. 696

Mr. REID. I have a motion to commit the bill with instructions that is also at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] moves to commit the bill (S. 1619) to the Committee on Finance with instructions to report back with amendment No. 696.

The amendment is as follows:

At the end, add the following new section:

SEC. ____ . EFFECTIVE DATE.

The provisions of this Act shall become effective 6 days after enactment.

Mr. REID. I ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 697 TO AMENDMENT NO. 696

Mr. REID. I have an amendment to the instructions.

The PRESIDING OFFICER. The clerk will report the amendment to the instructions.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes amendment numbered 697 to the instructions of amendment No. 696 to the motion to recommit.

The amendment is as follows:

In the amendment, strike "6 days" and insert "5 days".

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 698 TO AMENDMENT NO. 697

Mr. REID. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report the second-degree amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 698 to amendment No. 697.

The amendment is as follows:

In the amendment, strike "5 days" and insert "4 days".

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

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

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

Mr. McCONNELL. Mr. President.

The PRESIDING OFFICER. The Republican leader.

JOBS BILL

Mr. McCONNELL. Mr. President, for 3 weeks President Obama has been traveling across the country calling on Congress to pass what he calls his jobs bill right away. Here is what he will say in Texas today, if he has not said it already: At least put this jobs bill up for a vote so the entire country knows where every Member of Congress stands. Well, I agree with the President. I think he is entitled to a vote on his jobs bill.

The suggestion that the Senate Republicans are not interested in voting on his jobs bill is not true. I think he is entitled to a vote. It won't surprise anyone to know I do not think it is a good approach, a way that is likely to create jobs, but he has asked for a vote. I think we ought to accommodate the President of the United States on a matter he has been speaking frequently about over the last few weeks and give him his vote.

In fact, they have been calling for this vote with great repetition. His Press Secretary said it on October 3, and David Plouffe, the White House Senior Adviser, said the same thing on September 27. David Axelrod, his top strategist, called for us to have this vote on September 13. The President

himself—let me count the number of times: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11—12 times the President of the United States himself, over the last few weeks, has called on us to have this vote. As he put it: I want Congress to pass this jobs bill right away. Well, I hope it will not pass because I do not think it is the right direction for the country to take to begin to deal with the joblessness issue, but I do think the President makes an important point—that he is entitled to a vote.

If I were to be given an opportunity by my good friend the majority leader, I would offer the President's jobs bill, which we think would be more accurately described as stimulus 2, sort of a redo of the approach and the bill we approved back in 2009, after which we have lost 1.7 million jobs. Therefore, I would ask consent to set aside the pending motion and amendments in order to offer the amendment which I have just described and hold in my hand at this moment.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, reserving the right to object, I am not going to do a long dissertation on stimulus 1, the jobs bill that, in effect, did so much good for our country. I can't talk about the other 49 States, but I can talk about what the Recovery Act did for the State of Nevada. It basically saved the State of Nevada from going into bankruptcy, hundreds of millions of dollars to help State government stop massive layoffs of teachers and create tens of thousands of jobs in areas such as renewable energy. So that is enough on the American Recovery Act. I thought it was extremely important for Nevada. Other Senators can come and talk about how their own States benefited.

"Right away" is a relative term. The President has been calling for a vote on his jobs bill and rightfully so. Why did he start calling for a vote on his jobs bill? Because there was again one of the long obstructions that took place in the Senate and in the House on an issue that was fairly simple. What was that? Funding the Federal Emergency Management Agency. These devastating floods, tornadoes, hurricanes, and fires had created a situation where FEMA was about to go broke. You would think we could move quickly past that, but, no, we couldn't because something we agreed on in late July—that we would fund the government for the rest of the year—was again brought to the forefront and because the Republicans were threatening to close down the government again. So of course the President was calling for his jobs bill. He recognized that what was going on here in the Senate and in the House was a waste of time; that is, why were we spending time unnecessarily on funding one of the essentials of government; that is, taking care of people who have been devastated by these terrible storms and other calamities.

We have moved very quickly, after we got through that slog caused by the

Republicans, to get FEMA funded and to get the CR extended for 6 weeks. We are now on something that is long overdue: China currency. China has been manipulating its currency for a long time. In the last 10 years, we have lost 2 million jobs because of this. If there were ever a jobs bill, it is this we are doing on the floor right now.

I sponsored the President's bill. I am the one who brought it to the floor. I have announced in a number of speeches I have given out here that I believe we should move to this jobs bill. We need to move to this right away, there is no question about that, but to tack this onto the China currency manipulation legislation is nothing more than a political stunt. We all know that. If we don't, we should know. I am telling everyone. I said I will bring the American Jobs Act to the floor this work period. We have 2 more weeks left in this work period.

Obviously, the Republican leader, my friend, the Senator from Kentucky, wants to do something about the jobs bill. I am glad he does. He wants us to move this forward. So my suggestion would be to modify my friend's unanimous consent request and suggest that we have the permission, for lack of a better word, of the Republicans here in the Senate to immediately move—the motion to proceed would be unnecessary. We could move to that as soon as we finish—you have two choices: either as soon as we finish the China currency legislation or we finish the trade legislation, which Senator MCCONNELL and I have talked about finishing next week. So I would move to modify my friend the Republican leader's consent agreement that we move immediately to the legislation I have introduced on behalf of the President either after we finish the China currency legislation or after the trade bill, whatever my friend would rather do.

The PRESIDING OFFICER. The pending request is a request from the Republican leader.

Mr. REID. I have asked that it be modified.

The PRESIDING OFFICER. Does the Republican leader so modify his—

Mr. MCCONNELL. Mr. President, reserving the right to object, I listened carefully to what my good friend the majority leader had to say, and he was talking about other matters debated at other times—the first stimulus bill, on which I think we probably have a basic disagreement. I think it was almost a total failure. He also talked about the debate we had with regard to the continuing resolution, which was finally worked out on a bipartisan basis. But those are things that occurred in the past.

What I am trying to do here today by suggesting that we vote on the President's jobs bill which my good friend the majority leader has previously introduced and I gather by way of introduction supports, that we honor the request of the President of the United States to vote on it now. He has been

asking us repeatedly over the last few weeks to vote on it now. If my friend the majority leader is saying he doesn't want to honor the President's request and vote on it now but would like to consider voting on it later, that is something he and I can discuss as we decide how to move forward with Senate business.

But I think the President of the United States, whose policies I, generally speaking, do not support—although I am happy to support his initiatives on trade, be they ever so late—is entitled to know where the Senate stands on his proposal that he has been out talking about over and over in the last few weeks, suggesting that we are unwilling to vote on it.

What I am saying is, we don't agree that it is the right policy, but we are more than willing to vote on it. What I hear my friend the majority leader saying is that even though he supports it, he wants to vote on it some other time. Well, the President has been saying he doesn't want to vote on it some other time, he wants to vote on it now.

If my friend is saying we are not going to vote on it now, I would be happy to talk to him and reach an understanding to vote on it later. But my feeling here is that the least we can do for the President is give him a chance to have a vote on his proposal now, as he has requested on numerous occasions. So I will object to the modification, understanding full well the majority leader and I, off the floor, will have further discussions about when we might move to the President's bill and give him the vote he has been requesting.

Mr. REID. Mr. President, further reserving my right to object, there are 14 million people in this country who are out of work.

What a charade we have going on here. We are in the midst of some of the most important legislation we have done this entire year—China currency manipulation—and we now have a proposal that is ridiculous on its face; that is, we vote with no debate on the President's jobs bill. This is senseless. It is unfair to bring this up in this form. We are going to get to this, and we are going to do it either as soon as we finish this China currency or after we finish the trade bills, whatever I can work out with my Republican colleague so that I can move to it. It takes 60 votes to get to this legislation.

The American people, I am sure, can see through this very clearly, that this is nothing more than a political stunt. It is clear we need a full debate on this—we don't need a filibuster—and that time will come very soon, so I object.

The PRESIDING OFFICER. The objection is heard.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. Mr. President, if I may elaborate further, we have had a request from the President on multiple occasions to vote on what he calls his

jobs bill and to vote on it now. Just to count again, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11—12 times the President has asked us, over the last few weeks, to vote on what he calls his jobs bill now. I don't think the President is saying he wants an extensive debate about it; I think he is saying he wants a vote on it. I wanted to disabuse him of the notion that somehow we are unwilling to vote on his proposal. We are more than happy to vote on it.

I understand why my friend the majority leader may have some reservations about going forward. I have read a number of critiques of this legislation by Democratic Senators, one part of it or another. But even though there is bipartisan opposition to the President's jobs proposal, I think he is entitled to a vote. So I am sorry it appears we will not be able to achieve this vote the President has repetitiously asked for over the last few weeks. I would like to give him that vote, and we will be talking to the majority leader about when we might have an opportunity to vote on his proposal, the President's proposal which the majority leader introduced, which he has been requesting us to vote on.

The PRESIDING OFFICER (Mr. FRANKEN). The majority leader.

Mr. REID. Mr. President, the President introduced his jobs bill. Immediately, the Republicans continue their obstruction on issues very simple but maintain the floor. There are things going on here. You just can't automatically move to legislation. We know the Senate procedure takes 60 votes to get on a piece of legislation.

The President was calling upon Congress, and especially the Republicans in Congress, to allow his jobs bill to move forward. As I indicated, we were hung up here on issues that had very little to do with the jobs bill. In fact, we should not have been doing it. All the time, I repeat, we have been hung up on FEMA funding, on the continuing resolution, which should have been approved quickly because we agreed to that last July, but they reneged on that even, and threatened to shut down the government unless FEMA was paid for the way they wanted. We were able ultimately to win that debate, but it took a long time.

So when the President said he wants to move to his legislation right away, he was absolutely candid and forthright. He wanted to clear the unimportant things off the floor—the stalling tactics on the floor—and move to his bill, and that is what we are going to do.

What I would be willing to do, if my friend would be agreeable—would the Republican leader agree to a vote on the motion to proceed to the jobs bill? We could do that. We could interrupt this legislation right here. We could interrupt the trade bills. We could vote on a motion to proceed to the jobs bill.

Mr. MCCONNELL. Mr. President, is my friend propounding a consent agreement or simply asking a question?

Mr. REID. I think if the Republican leader is interested in the subject, I could put it in proper form, but we get the point. To get it on the floor, it needs 60 votes. I would be happy to, if the Republican leader would agree to a vote on a motion to proceed to the jobs bill.

Mr. MCCONNELL. Mr. President, let me say to my good friend, I am prepared to vote on the President's proposal today. If the majority leader wants to vote on it some other day, we can talk about that, about how to move forward with it. But the President has been repeatedly asking us to take it up and vote on it now, and I am prepared to do that. With regard to taking it up some other time and voting on it some other day, we will be happy to talk about that off the floor, as we do frequently on every issue we deal with.

Mr. REID. Mr. President, I am sure that in the immediate future—right away—the American people will see, once again, the Republicans are filibustering measures they shouldn't be filibustering—this time, the jobs bill.

Mr. MCCONNELL. Mr. President, I would just add in closing, I think my good friend's problem—and I sympathize with him—is that there is bipartisan opposition to the President's proposal.

Mr. REID. Mr. President, I heard my friend say that, and I didn't want to get into a long dissertation about bipartisan opposition. There are 53 of us. A majority of Democrats will support the President's jobs bill.

Mr. MCCONNELL. The majority leader just confirmed what I was saying, which is that there is bipartisan opposition to this, and we will discuss at what point the majority leader is comfortable with going forward with this proposal. My only reason for offering it today was to respond to the President's request that we vote on it, and we are prepared to do that. If we can't do it today, we will be happy to discuss, as we always do, the agenda of the Senate and when it would be appropriate to vote on it some other time.

Mr. REID. Mr. President, I know I only have in my head the math I learned from Mrs. Picker at Searchlight Elementary School. But I do know, when we have 53—and I have told everyone here we will get a majority of the Senate—a majority of the Senate, not a majority of the Democrats, a majority of the Senate—that is not very bipartisan opposition to this bill.

Mr. MCCONNELL. Mr. President, I can only quote my good friend the majority leader who repeatedly has said, most recently in early 2007, that in the Senate it has always been the case we need 60 votes. This is my good friend the majority leader when he was the leader of this majority in March of 2007, and he said it repeatedly both when he was in the minority as leader of the minority or leader of the majority, that it requires 60 votes certainly on measures that are controversial.

So it is not at all unusual that the President's proposal of this consequence, that would raise taxes, that would spend $\frac{1}{2}$ trillion in a second stimulus bill, would have to achieve 60 votes. That is the way virtually all business is done in the Senate, certainly not extraordinarily unusual.

Mr. REID. The American people will see very soon that a majority of the Senate supports the President's jobs bill.

I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WEBB. 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. WEBB. I ask unanimous consent to speak for 10 minutes and that following my remarks, Senator BARRASSO be recognized.

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

Mr. WEBB. Mr. President, I wish to speak for a few minutes about an amendment I introduced that, in my view, gets to the heart of some of the more troubling Chinese trade policies that are threatening the economic security and the long-term competitiveness of our country.

It is well known that many American companies operating in China are required to transfer their intellectual property and proprietary technology to China as a prerequisite for doing business in that country. I will repeat that they are required to transfer this technology. Despite assurances from the Chinese leadership earlier this year that this was no longer "official" Chinese policy, China does continue to be aggressive and overt in its pursuit of foreign intellectual property as it seeks to develop its own, what it calls indigenous innovation. Companies such as General Electric and Westinghouse, among many others, have been required to transfer proprietary technology to Chinese counterparts in order to do business there.

If a private company has developed technology on its own and it makes a business decision to transfer that technology to a joint venture partner in a place such as China, unless there are national security issues, we are obligated to respect the free marketplace. They may be seeking short-term profits at the expense of long-term competitiveness, but that is a business decision. But it is a different case when the American taxpayer has financed the development of these technologies through Federal funding assistance, and I do not believe it is appropriate to allow those technologies simply to be given away to other countries.

Every American owns a piece of intellectual property that has been financed through taxpayer assistance.

Federal dollars that go to R&D funding, loan guarantees, and public-private partnerships in order to help develop the next generation of technologies here are supposed to be making American businesses competitive and generating American jobs, not helping develop other industries such as those in China. My amendment would prohibit that practice.

Last year, the U.S. Chamber of Commerce issued a report entitled "China's Drive for Indigenous Innovation." The Chamber noted that China's master plan for the development of science and technology "is considered by many international technology companies to be a blueprint for technology theft on a scale the world has never seen before."

The report went on to state that China's "persistent" intellectual property theft is "compounded by the indigenous innovation industrial policies which compel technology transfers in order to have access to the China market."

The New York Times recently reported that Ford Motor Company is looking to share proprietary technologies for electric vehicles in exchange for selling cars in China. The electric vehicle sector has been developed through Federal R&D funding, loan guarantees, and public-private partnerships—costs borne by American taxpayers. In 2009, for instance, Ford Motor Company received a \$5.9 billion loan guarantee from the Department of Energy to advance its vehicle technology manufacturing program.

We see these types of transfers in other industries as well. The Washington Post reported last month that General Electric has transferred valuable aviation avionics technology to state-owned Aviation Industry Corporation of China. Our government has long supported the aviation industry through procurement initiatives and Federal research projects. The fruits of American taxpayer support will now be incorporated into Chinese commercial airliners, in line with China's desire to develop an internationally competitive aircraft industry that could rival American-based Boeing.

We see similar examples of technology transfer in the nuclear energy sector. According to the Financial Times, Westinghouse Electric has transferred more than 75,000 documents to Chinese counterparts as the initial phase of a technology transfer program in exchange for a share of China's growing nuclear market. These documents relate to the construction of four third-generation AP1000 reactors that Westinghouse is building in China.

American taxpayers supported the development of the AP1000 as well as its predecessor, the AP600, through decades of nuclear energy research and development at the Department of Energy. In other words, our taxpayers provided years of government support for the design and licensing of this reactor.

In a January 2010 letter to Obama administration officials, the heads of 19

American business and industry associations wrote of “[s]ystemic efforts by China to develop policies that build their domestic enterprises at the expense of U.S. firms and U.S. intellectual property.” Signatories to that letter included the Business Roundtable, the National Association of Manufacturers, and the U.S. Chamber of Commerce.

I ask unanimous consent that this letter be printed in the RECORD.

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

JANUARY 26, 2010.

Hon. HILLARY RODHAM CLINTON,
Secretary of State.

Hon. TIMOTHY GEITHNER,
Secretary of the Treasury.

Hon. ERIC H. HOLDER, JR.,
Attorney General.

Hon. GARY F. LOCKE,
Secretary of Commerce.

Hon. RON KIRK,

U.S. Trade Representative.

DEAR SECRETARY CLINTON, SECRETARY GEITHNER, ATTORNEY GENERAL HOLDER, SECRETARY LOCKE AND AMBASSADOR KIRK: We seek your urgent attention to policy developments in China that pose an immediate danger to U.S. companies. The Chinese government has promulgated a series of “indigenous innovation” programs as part of a long-term plan that threaten to exclude a wide array of U.S. firms from a market that is vital to their future growth and ability to create jobs here at home. Given the far-reaching impact of these policies on the American economy, we urge you to make this a strategic priority in our bilateral economic engagement with China.

For several years, the Chinese government has been implementing indigenous innovation policies aimed at carving out markets for national champions and increasing the locally owned and developed intellectual property of innovative products. We are increasingly alarmed by the means China is using to achieve these goals.

Of most immediate concern are new rules issued by the Chinese government in November to establish a national catalogue of products to receive significant preferences for government procurement. Among the criteria for eligibility for the catalogue is that the products contain intellectual property that is developed and owned in China and that any associated trademarks are originally registered in China. This represents an unprecedented use of domestic intellectual property as a market-access condition and makes it nearly impossible for the products of American companies to qualify unless they are prepared to establish Chinese brands and transfer their research and development of new products to China.

This directive targets some of our most innovative and competitive manufacturing and service industries, including computers, software, telecommunications and green technology. Once this system is in place, it is expected to be expanded to other industries. The November directive was followed in late December by the announcement that the government would develop a broader catalogue of indigenous innovation products and sectors to be afforded preferences beyond government procurement (i.e., including subsidies and other preferential treatment). The December announcement, which was issued by four Chinese agencies including the State Owned Assets Supervision and Administration Commission (SASAC), also raises the specter of China subtly encouraging its many state-owned enterprises to discrimi-

nate against foreign companies in the context of procurement, including for commercial purposes.

These particular programs are part of a broader set of government policy initiatives covering, for example, patents and standards, competition policy, encryption and tax, the effect of which is creating barriers to competition in the Chinese market for our most innovative companies.

They also run counter to repeated pledges by the Chinese government to avoid protectionism, including the joint commitment of President Hu and President Obama at their recent summit in November to pursue open trade and investment. Moreover, they do not provide a constructive framework for a positive, cooperative and mutually beneficial relationship.

U.S. economic growth relies in significant measure on access to key international markets. China is the world’s third largest economy and represents a major potential growth market for the United States. A healthy U.S.-China bilateral relationship requires an expanding economic relationship based on mutual openness. Systematic efforts by China to develop policies that build their domestic enterprises at the expense of U.S. firms and U.S. intellectual property is not a framework for a positive and cooperative relationship. Additionally, we are further concerned that such policies, if left unchallenged, will be pursued by other important trading partners, compounding the impact on the U.S. economy.

We respectfully request that your agencies make this issue in particular a strategic priority in your bilateral economic engagement with China; develop, in consultation with the business community and like-minded foreign governments, a strong, fully coordinated response to the Chinese government; and raise this issue with your Chinese counterparts in all appropriate multilateral and bilateral meetings and forums.

With best regards,

Stephen J. Uhl, President and CEO, AdvaMed; Richard R. Vuytsteke, President, The American Chamber of Commerce in Hong Kong; Brenda Lei Foster, President, The American Chamber of Commerce in Shanghai; Harley Seyedin, President, The American Chamber of Commerce in South China; John Castellani, President, Business Roundtable (BRT); Robert W. Hlolleyman, II, President and CEO, Business Software Alliance (BSA); Bob Vastine, President, Coalition of Service Industries (CSI); Gary Shapiro, President and CEO, Consumer Electronics Association (CEA); Calman J. Cohen, President, Emergency Committee for American Trade (ECAT); Dean C. Garfield, President, Information Technology Industry Council (ITI); Robert Barchiesi, President, The International AntiCounterfeiting Coalition (IACC); John Engler, President and CEO, National Association of Manufacturers (NAM); Evan R. Gaddis, President and CEO, National Electrical Manufacturers Association (NEMA); Bill Reinsch, President, National Foreign Trade Council (NFTC); Ken Wasch, President, Software & Information Industry Association (SIIA); Phillip J. Bond, President and CEO, TechAmerica; Grant Seiffert, President, Telecommunications Industry Association (TIA); Peter Robinson, President and CEO, United States Council for International Business (USCIB); Thomas J. Donohue, President and CEO, U.S. Chamber of Commerce.

Mr. WEBB. I am introducing a very simple amendment. It is intended to

protect American innovation and American jobs, and it is intended to make America more competitive and to create jobs here at home. In cases where technologies are developed with the support of the American taxpayer, my legislation prohibits companies from transferring the technology to countries that by law, practice or policy, require proprietary technology transfers as a matter of doing business.

Specifically, it says: A country which, by law, practice or policy, is required to transfer proprietary technology or intellectual property as a condition of doing business in that country will not be the recipient of any of these technologies that were developed with the assistance of the American taxpayer.

Quite simply, if taxpayers supported the development of the technology, they own a piece of it, and it can’t just be given away. The transfer of publicly supported proprietary technologies by American firms to China, and potentially other countries, clearly and unequivocally places the competitive advantage of the American economy at risk.

Our trade laws are designed in order to protect national security, but our economic security is also an element of our national security. Intellectual property in the civilian sector should also be protected. My amendment seeks to do that.

I believe this is an issue every Senator can support.

I thank the Presiding Officer and yield the floor.

THE PRESIDING OFFICER. The Senator from Wyoming.

A SECOND OPINION

Mr. BARRASSO. Mr. President, I come to the floor, as I have repeatedly since the health care bill was signed into law, to offer a doctor’s second opinion about issues related to that health care law.

A group of House and Senate Republican lawmakers, including Senator THUNE of South Dakota, released a startling new report about the President’s health care law. The report is entitled “CLASS’ Untold Story: Taxpayers, Employers, and States on the Hook for Flawed Entitlement Program.” I commend this report to my colleagues.

Many may remember that President Obama’s health care law established a brandnew, Federal long-term care entitlement program. It is called the CLASS Program, the Community Living Assistance Services and Supports Program.

This CLASS Program pays a stipend to individuals enrolled when they are unable to perform daily living activities—dressing, bathing, eating. To qualify for the benefits, an individual would have to pay a monthly premium for 5 years—pay a monthly premium for 5 years—before the Federal Government starts to pay out any of the benefits.

The health care law mandates that the CLASS Program collect individual

premiums for those 5 years before the program actually even starts to pay out benefits.

It sounds pretty good but not so fast. When it comes to the health care law, the American people have come to realize that if it sounds too good to be true, it probably is.

The CLASS Program was supposed to start January 1, 2011—10 months ago. But the Obama administration's officials decided to delay the program because they know it does not work. It is now known that the CLASS Program was an intentionally designed budget gimmick—that is correct: an intentionally designed budget gimmick.

During Senate floor debate of the President's health care bill, I, along with many other Members of this side of the aisle, warned repeatedly—repeatedly—that the CLASS Program is a financial disaster waiting to happen.

The Congressional Budget Office estimated the CLASS Program would reduce the deficit by \$70 billion over a 10-year period. These savings are mythical, and they come from the premium dollars CLASS collects those first 5 years, before it pays out a single penny.

During those first 5 years, the program is not required to pay out any benefits to any individuals. Over its first 10 years, the Congressional Budget Office says this CLASS Program will collect \$83 billion in premiums and only pay out \$13 billion in benefits.

But instead of holding on to the \$70 billion in excess premiums collected to pay for future expenses we know are coming, Members of the Senate—Members on the other side of the aisle—used those same funds to pay for President Obama's health care law.

To add insult to injury, Washington Democrats then tried to claim that the \$70 billion could also be used to pay down the deficit.

The American people immediately saw this claim was irresponsible. Even the Senate Budget Committee chairman, Senator KENT CONRAD from North Dakota, admitted the CLASS Program was “a Ponzi scheme of the first order—something Bernie Madoff would be proud of.” Yet the President and Washington Democrats pushed to include this CLASS Program in the health care law.

This new report provides undeniable evidence that administration officials knew the CLASS Program's design and payment structure were fiscally unsustainable. The Obama administration knew it. Yet they repeatedly ignored the explicit and persistent warnings.

One might ask: Why is that? The only logical explanation is, administration officials chose to hide the CLASS Program's true cost from congressional lawmakers and the American people—all to advance President Obama's ideological health care agenda.

This push to advance an agenda, rather than reasonable patient-centered health care reforms, served only

to create yet another unsustainable entitlement program, an entitlement program this country simply cannot afford. The Obama administration's own Chief Actuary, a man named Richard Foster, repeatedly tried to tell administration officials that the CLASS Program was not fiscally sound. Internal e-mails from Mr. Foster first warned administration officials in May of 2009—well before the health care law was enacted.

According to that report, Mr. Foster's e-mail says:

The program is intended to be “actuarially sound”, but at first glance this goal may be impossible. Due to the limited scope of the insurance coverage, the voluntary CLASS plan would probably not attract many participants other than individuals who already meet the criteria to qualify as beneficiaries.

He went on to say:

While the 5-year “vesting period” would allow the fund to accumulate a modest level of assets, all such assets could be used just to meet benefit payments due in the first few months of the 6th year.

Then, a key sentence:

The resulting substantial premium increases required to prevent fund exhaustion would likely reduce the number of participants, and a classic “assessment spiral” or “insurance death spiral” would ensue.

What does this mean in plain English? It means the CLASS premiums will be too expensive to persuade young, healthy people to participate. It means the CLASS plan's long-term care payout is very enticing to people who know they are going to need the care; healthy people do not participate, sicker people do participate. Individuals in the health care system call this phenomenon adverse selection. When adverse selection occurs, the American taxpayer is at very serious risk of being forced to bail out the program when it fails.

The report goes on to show that Mr. Foster repeated his concerns during the summer of 2009. He writes to another administration official:

I'm sorry to report that I remain very doubtful that this proposal is sustainable at the specified premium and benefit amounts.

He says:

Thirty-six years of actuarial experience lead me to believe that this program would collapse in short order and require significant federal subsidies to continue.

Let me remind everyone that the Chief Actuary is a nonpartisan, high-ranking official at the U.S. Department of Health and Human Services. The Chief Actuary's estimates are critical to understand the health care law's true fiscal impact and long-term viability.

Mr. Foster certainly does not have an ax to grind. He simply offered his analysis based on the data, and the Obama administration ignored it. Not only did Obama administration officials ignore Mr. Foster, they stopped requesting his input. But Mr. Foster was not alone.

In the fall of 2009, the Department of Health and Human Services' Office of the Assistant Secretary for Planning

and Evaluation also raised the red flag. According to the report, one employee wrote in an e-mail on October 22:

Seems like a recipe for disaster to me. . . . I can't imagine that CLASS would not have high levels of adverse selection given the significantly higher premiums compared to similar policies in the private market.

Just a week after Senator THUNE released this stunning new report on the floor of the Senate, media outlets indicated that the Department of Health and Human Services has closed its CLASS Program. Mr. Bob Yee, the CLASS Chief Actuary, announced the closure in an e-mail. He went on to say he would leave his position as the CLASS office Actuary effective immediately. News reports indicated the CLASS office's employees have either been reassigned or asked to leave.

Mysteriously, however, the Department of Health and Human Services issued a statement denying the office was officially closing. In fact, the statement failed to say if and when the CLASS Program would even start. The Obama administration has had 18 months to figure out how to implement this CLASS Program. Recent developments show they are not even close to resolving questions about the program's solvency.

The American people deserve more. The American people deserve the truth. The evidence is indisputable. Administration officials at the Department of Health and Human Services knew the CLASS Program was unsustainable, and they knew it before President Obama signed the health care bill into law. They knew it. Yet this Senate and the House of Representatives and the administration failed in their duty to be honest with the American people and to tell them the truth.

Were administration officials deliberately hiding CLASS's true cost for political gain? This is certainly not the first time during the last several weeks that we have seen troubling reports exposing the administration's tendency to ignore financial warnings. They ignore the warnings so they can advance politically important projects to them—projects that turn into expensive failures, with the American taxpayers being stuck with the bill.

I see this report, this incredible study, as yet one more piece of evidence that the President's health care law must be repealed. It must be repealed and replaced with reasonable, commonsense, and financially sound alternatives: patient-centered reforms that allow individuals to get the care they need, from the doctor they want, at a price they can afford.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I rise in support of amendment No. 680 that we have filed. I am concerned that the bill before us will have only marginal effects on China's manipulation of its currency. My amendment offers a different approach, one which I believe

will be more effective over the long term.

Let me first say, I strongly agree with the sponsors of this bill about the need to send a strong signal to China, and other currency manipulators as well, that massive intervention in the currency markets to gain trade advantage will no longer be tolerated. For the international economic system to work, every country, including China, needs to play by the rules.

Similarly to many of my colleagues, my frustrations with China's trade and economic practices go far beyond currency manipulation. For example, China's failure to protect intellectual property rights, China's industrial policies, their limitations on American investment, and their unfair support and subsidization of State-owned and State-assisted enterprises are all very serious problems we need to address.

So while today we are focusing on currency manipulation, I look forward to working with Senator BAUCUS to examine potential solutions to these problems through Finance Committee hearings on China, which I hope we will hold soon.

The sponsors of this bill assure us that their approach is WTO consistent and will not result in a trade war with one of our largest trading partners. Given the importance of these questions, I wrote Secretary Geithner and Ambassador Kirk to request the administration's views. While they assured us they are reviewing the bill, to date, they have not publicly weighed in one way or the other. It seems to me they need to weigh in. Given that they know the Senate is debating the legislation this week, I think this is very unfortunate. If the administration is going to have any impact on this debate, I would urge them to comment soon.

Even though I have supported similar legislation in the past, I have continuing reservations about this approach. Fundamentally, we must remain focused on one question: Will this legislation actually solve the currency problem with China? After careful consideration, I have come to the conclusion it will not. While well-intentioned, the bill is too focused on unilateral remedial actions. As a result, I fear the bill will only have a marginal effect on China's practices, while at the same time potentially targeting many U.S. exporters for trade retaliation by China.

For example, the Congressional Budget Office scored this bill as generating \$61 million in revenue over 10 years. To put this in context, in 2010 alone, the United States imported almost \$365 billion of goods from China. Given the scope of the problem, I find it difficult to believe that unilaterally imposing an additional \$6 million in antidumping and countervailing duties a year on Chinese imports will compel China to change its currency policies or have any meaningful impact on our trade deficit with China.

Many of the other remedial provisions in this bill require the U.S. Gov-

ernment to take other unilateral actions against China, many of which may actually harm U.S. exporters directly or expose them to potential retaliation by the Chinese. To succeed over the long term, I think we must go in a different direction.

My amendment does just that. My amendment strikes the unilateral provisions while retaining the core of the bill that actually advances our shared goal of combating Chinese currency practices. I agree with my colleagues that the exchange rates and International Economic Policy Coordination Act of 1988 is simply not working. Administration after administration refuses to exercise its authority and deem China a currency manipulator. This is enormously frustrating to all of us, especially since candidate Obama campaigned against China's current currency practices, and after being elected had his own Treasury Secretary testify before Congress that China is, in fact, manipulating its currency. Yet they refuse to act.

So I agree the Congress must tighten the criteria and establish a more objective approach to identifying fundamentally misaligned currencies and designating fundamentally misaligned currencies for priority action.

I supported this goal in the past and continue to today. I also agree we need to hold the Secretary of the Treasury and the U.S. Trade Representative accountable. So I have retained the requirements under this bill that they report to and testify before Congress on their progress. But to succeed over the long term we need to adopt a fundamentally different approach.

We have had some success in the past. For example, during the Bush administration, from 2005 to 2008, negotiations pushed China to appreciate its currency by 20 percent. Unfortunately, the Obama administration has had no such success.

My amendment builds on this successful model but also takes it a step further. First, my amendment directs the Secretary of the Treasury and the U.S. Trade Representative to initiate negotiations in the World Trade Organization and the International Monetary Fund to develop effective remedial rules and actions that will mitigate the adverse trade and economic effects of fundamentally misaligned currencies designated for priority action under this bill, and that will encourage priority action countries to adopt appropriate policies to eliminate the fundamental misalignment of their currencies.

The WTO and the IMF were designed to handle complex issues like currency, so we should start there and work with our allies to devise long-term and effective solutions. Working with like-minded countries, we should be able to agree that when individual members advance their nationalistic interests so aggressively through currency manipulation that they threaten the whole global economy and their own long-

term interests, and their actions need to be addressed.

Many of my colleagues may argue that negotiations in the WTO and IMF will not work. My amendment addresses that potential problem in its second section. It provides that if the Secretary of the Treasury and the U.S. Trade Representative cannot make progress to effectively mitigate the adverse effects of fundamentally misaligned currencies within the WTO and the IMF within 90 days, then the administration shall enter into plurilateral negotiations outside of the WTO and IMF to develop agreements with our friends and allies who are also committed to open and fair currency policies.

These negotiations will need to develop mechanisms to mitigate the adverse effects of priority action country currency policies, and to encourage those priority action countries to abandon their interventions into their currencies.

We have seen multilateral approaches work in the past in combating some of China's unfair trade and economic practices. For example, China changed course on both its aggressive indigenous innovation policies and on efforts to hoard its rare earth materials primarily due to multilateral pressure against the Chinese. These important issues have not been solved and require additional efforts.

But by working with our friends and our allies, we effectively convinced the Chinese Government to take a more constructive approach. Let's build on the successes we have witnessed in recent years. Let's work together to counter, in a systematic and comprehensive way, the efforts of those priority action countries that derive trade advances through current policy.

To be clear, I am not suggesting that the United States violate any of its international obligations. That point is made clear in the amendment. But I am suggesting that the solution to the currency problem cannot be achieved unilaterally, and our negotiators must reach out to our allies to aggressively counter the behavior of China and others. So far the administration has failed to lead on the currency issue. My amendment requires that they do so.

The third section of my amendment helps maintain pressure on the administration to take concrete action. It requires the Treasury Department and the USTR to report to Congress every 180 days following enactment of this bill. In these reports the administration must identify: one, the countries with which the United States is conducting negotiations to mitigate the adverse effects of priority action currencies, and in what international fora or negotiating configurations those negotiations are taking place; two, the remedial rules and actions under discussion in those negotiations; three, any remedial rules that have been adopted and any remedial actions that

have been taken pursuant to those negotiations; and, four, what, if any, additional authority the Secretary or the U.S. Trade Representative needs from Congress to conduct these negotiations and to effectively mitigate the adverse trade and economic effects of fundamentally misaligned currencies or to implement coordinated actions with other countries.

Finally, my amendment sets up a process to immediately take advantage of ongoing international trade negotiations by establishing a new priority negotiating objective of the United States for ongoing and future trade agreements. This new objective requires that each party agree to not fundamentally misalign its currency in a manner that would result in a priority action designation and agree to work together to mitigate the adverse trade and economic effects of fundamentally misaligned currency by non-parties such as China.

For example, if the Trans-Pacific Partnership negotiations are to tackle 21st-century trade and investment issues, as the USTR continues to promise, I think this plurilateral negotiation would be a great place to start to address the challenges of fundamentally misaligned currencies. Working with this group of like-minded countries, we should be able to agree amongst all nine parties that no party will fundamentally misalign its currency.

We should also be able to agree to work together to counter the actions of other countries whose interventions in currency markets destabilize the global economy. We have seen multilateral engagement work in other areas. If we are truly going to solve this currency problem, we need to look at what other efforts have actually produced some results in moving the Chinese off a mercantilist policy course and improve the conditions for American businesses and workers competing against the Chinese.

We can all agree that China's massive interventions in its financial sector and currency have disrupted global trade and that its efforts to benefit China at the expense of others has harmed many countries and workers, including many in our own United States. But I believe rather than merely sending a message to China, we must try and find real, long-term solutions and empower and direct our negotiators to reach out to our friends and allies around the world and finally solve the problem.

If existing institutions are not working, we must modify them. If that is not possible, we must look to create new effective international agreements. The challenge that China's currency interventions present are not just to the United States but to the international economic community. We, the Congress, must demand that the administration launch these critical negotiations so we can avert further damage by currency policies of countries like China.

So I call on my colleagues to join me and to not just send a message but to take actions that could, in fact, produce results. In the end, China itself, as well as its neighbors and trading partners, will benefit from a more open, transparent, and fairly exchanged currency regime. What is at stake is far more than making a statement. We need to actually alter the international agreements and the rules of the game to address the problems of today and tomorrow.

So I urge my colleagues to support this amendment when it comes up. I hope we can get it up once we come to the final agreement on how to proceed on this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, my main purpose is to address the China currency bill, particularly in regards to the remarks of Speaker BOEHNER and Chairman Bernanke. But there are two other points I wish to make on previous speakers' comments. First, Senator WEBB's amendment.

It is a very important amendment. What it says, of course, is that in cases where commercial technologies are developed with the support of U.S. taxpayers, it prohibits companies from transferring the technology to countries that force proprietary transfers as a condition of doing business. We have seen this over and over.

China, which does not play fair up and down the line, basically gets away with economic murder. One of their techniques is to say to a big American company: We will allow you to sell a ton of stuff to us. You will make lots of money. But in return you must give us your proprietary technology—basically your family jewels.

It is outrageous, and in the long run it weakens America's ability to grow and create jobs. The companies do this because in the 5- or 10-year period in which they have signed the contract, they get a lot of revenue. But it certainly hurts American workers, and it certainly hurts these companies in the long run. But the CEOs probably figure they will be long gone before that money is made. So I want to support Senator WEBB's amendment.

In regards to my good friend from Utah who proposed an alternative, I would say this: We have tried for a decade to get multilateral action. That involves getting China's acquiescence. It is not going to happen. Multilateral action—like saying to the Chinese: Please—has not worked. It will not work. Our legislation is much stronger. It can pass. It got a large vote here this week. It has bipartisan support.

I know Speaker BOEHNER—I will talk about this in a minute—has said he will not take up our bill. But there is going to be huge pressure for him to do so, as I will elaborate later.

So to my good friend from Utah—and I have tremendous respect for him, and I do not doubt for a minute his good in-

tentions, his integrity, his hard work and desire to see things happen. To say to the Chinese: Please negotiate, is a strategy for weakness, is a strategy for failure, and multilateral action will not succeed. The Chinese understand only one thing—I will yield in a brief moment to my colleague for a question or a comment, whichever he prefers.

But the Chinese only understand one thing: being tough; telling them, if they do not discontinue these actions we are going to take action unilaterally on our own. I have been doing this for years. I can tell you, China's policies get worse and worse and worse. As one of my constituents said to me: Uncle Sam, when it comes to China, is Uncle Sam.

To have a policy that involves large multilateral actions and says to the Chinese: Come and negotiate with us, makes no sense at all.

I yield for a brief moment on my time to my colleague from Utah—for a minute or so.

Mr. HATCH. Well, I appreciate that. My colleague has always been very fair and gracious to me. I feel the same way toward him. I understand his deep feelings about this matter. I respect and appreciate them as well. But I am not talking about necessarily negotiating with China directly, other than what we can do. I am talking about dealing with nations that literally are feeling the same way we do, and gradually multiplying our effectiveness by working together—not just sending a message but getting the whole world to start saying: Yes, the United States is right; yes, this group of nations is right. And we can do that even outside of the international organizations that currently exist.

But I would like my colleague to look at that amendment and see—I think he will see some real good in it. I think it will get us farther down the pathway of doing what he knows needs to be done, and I know needs to be done, without necessarily causing a major trade war.

So I just bring that up to my colleague for that purpose, respecting him and what he is trying to do. I think this plural lateral approach I am talking about goes far beyond the IMF and some of the other worldwide organizations; it means really doing effective diplomatic work to bring worldwide pressure to get people to live within certain monetary constraints.

I thank my colleague for yielding.

Mr. SCHUMER. I thank my colleague, and I understand his good intentions and desire to get to the same place, which is to get China to behave fairly. I certainly will look at his bill.

I simply say this: Growing up in Brooklyn, we had to deal with a lot of bullies. The only time bullies give in is when you stand up to them. The proposal my colleague has made does not stand up to China.

The nations of the world have made their opinions clear. Recently, Brazil did. China doesn't care. They will only

care if there are sanctions, tough sanctions that give consequences to their unfair—and usually illegal by WTO standards—action.

Now I want to talk about Speaker BOEHNER's remarks and Ben Bernanke's remarks.

Last night was a milestone in the Senate. For years, the Government of China has been willfully breaking the rules of free trade without provoking a formal response from the U.S. Government—until yesterday. The full Senate for the first time went on record that it wanted to consider formal action to confront China's currency manipulation. It was a lopsided vote, a bipartisan majority of both parties, with 79 Senators in favor. We will spend the next few days debating the particulars, but make no mistake about it, when it comes to China's unfair trade practices, there is a consensus to act in the Senate.

It can be hard at times here to get 79 votes to turn the lights on. When the majority leader and the minority leader vote together to move forward on a major jobs-boosting measure, we should not delay in moving forward. But then today, less than 24 hours after the Senate saw the overwhelming vote in favor of moving forward to finally confront China with real action, the Speaker of the House of Representatives suggested he would not take up the bill if it passes the Senate. He called it dangerous. The Speaker's argument is behind the times. The only thing that would be dangerous would be to continue turning the other cheek while China mounts its assault on U.S. jobs, U.S. wealth, and U.S. manufacturing. Up and down the line, they oppose fair practices. They are mercantilists, maximizing their wealth at the expense of American workers, American companies, and American jobs.

Critics like the Speaker say the bill could start a trade war with China. Well, I have news, Mr. President: We are already in a trade war with China, and it is not going that well. American companies are fighting for survival in the United States and around the globe, battling subsidized Chinese exports with a built-in price advantage of 20 to 40 percent.

We cannot raise the white flag on American jobs, American wealth, and American manufacturing. We can compete successfully against Chinese competition at home and in China and around the world but only—only—if we level the playing field. Our bill helps level that playing field.

There is already a trade war going on, I say to the Speaker. China is cheating to gain unfair advantage. It is about time we do something about it. As Mr. Samuelson said in his article in the Washington Post, the only thing worse than a trade war—and I believe that won't happen because China has more to lose in a trade war than we do, and if they are one thing, they are smart, and they won't cut off their nose to spite their face. They may take

a few sanctions, but they won't create a trade war. The only thing worse than even a trade war is continuing our present policies where, 5 and 10 years from now, America cannot get up off the ground because of unfair Chinese policies.

The House Speaker seems to want to sit out this fight. He seems to want us to take a hands-off approach to China. He says, "This is well beyond what Congress should be doing." I am aghast at that notion, that the Speaker says that fighting for American jobs against unfair practices China foists upon us is well beyond what Congress should be doing. What should we be doing? There is nothing else Congress should be doing except rising to defend American jobs.

If he doesn't believe these practices are unfair, he should just listen—the Speaker should—to Chairman Bernanke. This is what he said this morning:

The Chinese currency policy is blocking what might be a more normal recovery process in the global economy. It is . . . hurting the recovery.

He is the top economist in the land. It is hurting the recovery, I say to the Speaker. That is what Ben Bernanke said. Does the Speaker really think it is beyond what Congress should be doing—to confront something that is hurting the recovery, that everyone who studies it says is unfair, that nobody has come up with a solution to? Multilateral negotiations? Give me a break. China won't budge. We know that.

I find it ironic that the Speaker wants a hands-off approach on China's unfair currency practices considering he, along with the rest of the Republican leadership in both the House and the Senate, just sent a letter a couple weeks ago seeking to meddle in U.S. currency policies. Just 2 weeks ago, the Republican leadership in the House and Senate sent a letter to Chairman Bernanke trying to influence his handling of monetary policies in a highly inappropriate way. It was nothing short of a breach of a protocol that has long been observed, which is that you don't put political pressure on the Federal Reserve because they need to handle monetary policy in an economic way, not a political way. A former Fed official called that attempt to politically meddle in the Fed's independent policymaking outrageous. Politico wrote that the letter was "an audacious move against a central bank that prizes its political independence." A leading economist said that "it crosses a line that shouldn't be crossed."

Let me get this straight. The Speaker and the House leadership feel it is OK to cross the line and try to strong-arm the Fed but it is not OK to have the will to stand up to China. This is totally inconsistent, and it is hard to figure out how you could do one thing one week and say another the next week—unless, of course, the House leadership's goal is to hold back our

economic recovery. I fear to think that. I fear to think their goal is to make sure the economy is so bad that they might do what our Republican leader said was his No. 1 goal: unseat President Obama. I shudder to think that the millions of American households without jobs, with people looking and searching to find a way to provide some dignity for their families, have to be political fodder for a goal to hold the economy back. I don't want to embrace that conclusion, but it is hard to see another explanation for, on the one hand, trying to twist the arm of the Fed when it comes to U.S. monetary policy but when it comes to fighting back against China, to say: Hands off. That is totally inconsistent.

I also find the Speaker's position on this China currency measure strange because if he blocks this measure, he is effectively thwarting the will of his own Members in the House, where there are 225 cosponsors—61 Republicans at last count—for a measure similar to the one being debated in the Senate right now. It is clear there is a consensus in the House very similar to the one here in the Senate. So I urge the Speaker to heed his own Chamber and put this bill on the floor. Don't thwart your own Members who want to support this measure. Give it an up-or-down vote. Even if the leadership doesn't want to vote for it, they should at least allow the will of the House to go forward. They should not suppress the collective will of their Chamber because at the end of the day you have to ask yourself which side you are on.

Two major candidates for President on the Republican side support this legislation. John Huntsman, who just got back from China—hardly known as a radical—said he would sign this bill. I haven't talked to him, but I can tell you, having worked on this issue for 6 years, I am sure that former Ambassador Huntsman is totally frustrated with the Chinese, and he knows that, unfortunately, the legislation introduced by his fellow Utahan doesn't address it and that the Chinese don't react when you ask nicely. They don't react when you ask, period. They only react when there are consequences that are harmful to them if they continue the unfair, anti-free-trade policy.

For some inexplicable reason, the Republican leadership in the House is siding with the Chinese Government. This is not the time to go soft on China. The top economist in the country tells us China is holding back the recovery. Many other economists say that China, in its currency policies, is thwarting and distorting world trade. I have seen some list it as one of the causes for the international recession we have. We know—we know—it costs America in jobs.

I want to relate what I did yesterday. Just one company in upstate New York—and I remind some of the editorial writers and pundits who say this will just move jobs from China to Bangladesh, that they are 5 years behind

the times. We are not talking about jobs that are in labor-intensive industries such as toys, clothing, or furniture. Those are gone, and they are not coming back. They are talking about top-end, middle-size, and smaller size American manufacturers and producers who have to fight with one hand tied behind their back because of Chinese currency.

This company, which makes a ceramic that is put in generators, electric generators, prevents pollution. They have a great ceramic tool. They are doing fine. But a few years ago, China stole it; they just took it. The head of the company told me he didn't mind because his growth was so large just from selling these in the United States and Europe that if China wanted to sell them in China, where they are building lots of powerplants, so be it. But now China is not only producing them for consumption in China—his product—it is producing them to export to America, and this gentleman said he cannot compete with them head to head. But when China gets a built-in 30 percent advantage on intellectual property that they stole, how is he going to survive?

That story can be repeated over and over. Of course China is holding back our recovery. Of course China's policies lose us millions of American jobs and hundreds of billions of dollars of American wealth. And finally this body, in a strictly bipartisan way, with five lead Republicans and five lead Democrats as cosponsors—and we have criticized both Presidents Bush and Obama for their failure to act—this body gets some resolve, and the Speaker says no.

Do you know what, I don't believe his "no" is going to stand. This is an issue the American people know has to happen. This is something they care about—Democrats and Republicans. Look at the polling. There is no partisan divide; it includes both liberals and conservatives. You don't have to have a Ph.D. in economics to know that China is cheating us and playing unfairly with us.

I believe the pressure from Members on both sides of the aisle in the other body and, more importantly, from the American people and manufacturers all over the country could work, could get the Speaker to reconsider his view. And I plead, pray, and hope that it does because there is no greater step we can take to restore jobs in America than to pass this important bill, get it enacted into law, and see, for once, our top-notch American companies be able to compete evenly—a fair fight—with Chinese manufacturers.

I thank the Chair, I yield the floor, and I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

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

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

Mr. INHOFE. Madam President, I ask unanimous consent to speak as in morning business for up to 15 minutes.

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

EPA INSPECTOR GENERAL REPORT

Mr. INHOFE. Madam President, I wanted to come to the floor today because 2 days ago I got the results of an inspector general's report that I requested 18 months ago having to do with the endangerment finding of the EPA. While it is a little bit complicated, I will go back and put this in perspective.

Back in the 1990s, we were asked by the then-Clinton administration to ratify a treaty called the Kyoto treaty. This was a treaty that was aimed at the reduction of greenhouse gases—anthropogenic gases and this type of thing. Well, it didn't pass. It went down 95 to 0 because of two reasons: We all declared in this body we weren't going to ratify any treaty that, No. 1, was damaging economically to the country; and, No. 2, we would treat developing countries differently than developed nations. Of course this missed on both those criteria.

After that happened, it became popular by some of the more radical environmentalist groups who enjoy the overregulation we have so much of in this country to seek the introduction of different bills. We had the McCain-Lieberman bill of 2003 and again in 2005. We had the Warner-Lieberman bill and several others—the Sanders-Boxer bill—and then, I guess, the last one was a House bill called the Waxman-Markey bill.

Anyway, these bills were all aimed at what we can do in this country in order to restrict our use of CO₂. Obviously—and there is no disagreement on this—if we in the United States unilaterally reduce our CO₂, it will not affect the CO₂ emissions worldwide because this isn't where the problem lies.

Even when I asked Lisa Jackson, the Obama-appointed Administrator at the EPA, for whom I have a great deal of respect, if we were to pass any of these bills I just mentioned—that would have the effect of the Kyoto treaty but only on the United States in reducing anthropogenic gases—would this have the effect of reducing CO₂ emissions, she said, no, because, as I pointed out, this would only affect the United States.

I would take the argument one step further and say it would have the effect of increasing, not decreasing, emissions because, as our manufacturing base has to find power to generate itself, they have to go where that is. Anyway, I only wanted to bring that up because that effort is still going on today.

With all these bills that have been before us—and at the time of most of them the Republicans were in the majority and I was the chairman of the Environment and Public Works Com-

mittee which had jurisdiction over this subject—I was the one who stood on the floor of the Senate to defeat these bills, and it became easier as each bill came along because people recognized that while the science is in question, the economics are not.

It had been determined by a number of sources—including a branch of the Wharton School of Economics, MIT, and CRA, or Charles River Associates—that the range of the cost of a cap-and-trade bill is always in the range of between \$300 billion and \$400 billion a year.

It is confusing when we talk about these large numbers. Peoples' eyes glaze over. They do not understand, and even I have a hard time understanding how this affects me and my 20 kids and grandkids out in Oklahoma. So I have a system—and I recommend it to my friends in the Senate—that I take the number of family income tax returns that are filed each year—get a current figure—and then I do my math. So this range between \$300 billion and \$400 billion, when we reduce it down to what it would cost each family, is in excess of \$3,000 a year. Even if we were to pass something like this, it still wouldn't reduce the emissions, and that is what we need to get over.

Anyway, when President Obama saw this, he saw there was no way in the world the Senate or the House would pass a cap-and-trade bill. So he decided to do it just by regulation, and we have been talking about overregulation in the Senate. Sometimes we are inclined to think the antibusiness attitude of this administration is just in overtaxation and this type of thing. That is not true. Overregulation is also a killer. In this case, we are talking about the overregulation of something we cannot sustain.

So in order for the President to be able to do through regulation what he could not do through legislation, he had to have what they call an endangerment finding; that is, the Environmental Protection Agency had to come up with a conclusion that CO₂ is dangerous to our health. It is called an endangerment finding.

I was getting ready to go over to a meeting in Copenhagen they have every year. These people who are promoting these programs have these meetings, and I was getting ready to go over there, and we had Administrator Jackson before our committee. I remember looking at her and saying: I am leaving for Copenhagen tomorrow. Shall I assume you are going to have an endangerment finding as soon as I leave town? She didn't answer, but she smiled. She smiles a lot. Anyway, that is what happened when I left.

An endangerment finding has to be based on science, and that is where this inspector general's report came in. Again, this is new stuff, just 2 days ago. I had requested 18 months ago that they look into the endangerment finding to see if this, in fact, is based on science. Of course, they came out with

this report, which was just released. It confirms the endangerment finding, which was the very foundation of President Obama's job-destroying regulatory agenda, was rushed—and I am using their words, “rushed, biased and flawed.” It calls the scientific integrity of the EPA's decisionmaking process into question and undermines the credibility of the endangerment finding.

Keep in mind, we have to have an endangerment finding before we can start regulating all this stuff. Well, the inspector general's investigation uncovered the EPA's failure to engage in the required recordkeeping process leading up to the endangerment finding. That is a requirement by law. So they did not comply with the law at that time. It also did not follow its own peer review procedures. Peer review is something that is required, and they didn't do it.

Administrator Jackson readily admitted way back in 2009 that the EPA had outsourced its scientific review to the United Nations' Intergovernmental Panel on Climate Change.

Now, this is interesting because they are going back to say: All right, you guys. You do the peer review on the very thing you have developed. Well, it doesn't work that way, and I think at that time we were complaining about that. So the EPA still refused to conduct its own independent review of the science, as the EPA inspector general found. Whatever one thinks of the U.N. science, the EPA is still required by its own procedures, by law, to conduct an independent review.

Of course, I have long warned about the IPCC process and what they have been doing in the past. In fact, it was 6 years ago that I sent a letter to Dr. Pachauri, the head of the IPCC, specifically raising the many weaknesses of the IPCC's peer review process. But Dr. Pachauri dismissed my concerns, and here is what Reuters said in their article on how Dr. Pachauri responded to my request. I am quoting now from Reuters:

In the one-page letter, [Pachauri] denies the IPCC has an alarmist bias and says “I have a deep commitment to the integrity and objectivity of the IPCC process.” Pachauri's main argument is that the IPCC comprises both scientists and more than 130 governments who approve IPCC reports line by line.

Now, that is what he said, as reported. As I predicted, it all came apart for the IPCC. On the Senate floor last year I highlighted several media reports uncovering serious errors and possible fraud by the IPCC. This is the United Nations we are talking about. They are the ones that started all this.

ABC News, the Economist, Time magazine, and the Times of London—among many others—reported that the IPCC's research contains embarrassing flaws—using their language—and the IPCC chairman and scientists knew of the flaws but published them anyway. Media reports uncovered a number of

non-peer-reviewed studies that the IPCC used to make baseless claims, including that global warming would—and listen to this; this is the IPCC stuff that has totally been rebuked—melt the Himalayan glaciers by 2035. Didn't happen.

It had 40 percent of the Amazon rainforest endangered by global warming. It didn't happen.

Melt mountain ice in the Alps, Andes, and Africa. It didn't happen.

Slash crop production by 50 percent in North Africa by 2020. It is something that is not even going on.

These embarrassments led to a number of these same publications to demand that the IPCC come clean on the review process of the IPCC.

I am going to read this to let everyone know how serious this is.

The Financial Times, talking about the IPCC:

Now it is time to implement fundamental reforms that would reduce the risk of bias and errors appearing in future IPCC assessments, increase transparency and open up the whole field of climate research to the widest possible range of scientific views.

Time Magazine has always kind of been on the other side of this issue. We might remember, Time Magazine had on their cover this last polar bear standing on the last cube of ice and we are all going to die. Time Magazine, when they talked about the glaciers all melting, said:

Glaciergate is a black eye for the IPCC and for the climate science community as a whole.

The Economist:

This mixture of sloppiness, lack of communication, and high-handedness gives the IPCC's critics a lot to work with.

Newsweek came out:

Some of the IPCC's most-quoted data and recommendations were taken straight out of unchecked activist brochures, newspaper articles, and corporate reports—including claims of plummeting crop yields in Africa and the rising cost of warming-related natural disasters, both of which have been refuted by academic studies. Just as damaging, many climate scientists have responded to critiques by questioning the integrity of their critics, rather than by supplying data and reasoned arguments.

That was in Newsweek. So their analysis was that they are doing all this stuff, and they resort to name-calling and this type of thing because they don't have a logical response for it.

Last year—and keeping in mind this is after I requested the inspector general's report and before; and still 1 year ago in a speech I made right here I said:

There is a crisis of confidence in the IPCC. The challenges to the integrity and credibility of the IPCC merit a closer examination by the U.S. Congress. The ramifications of the IPCC spread far and wide, most notably to the Environmental Protection Agency's finding that greenhouse gases from mobile sources endanger public health and welfare. EPA's finding rests in large measure on the IPCC's conclusions—and EPA has accepted them wholesale, without an independent assessment. At this pivotal time, as the Obama EPA is preparing to enact policies po-

tentially costing trillions of dollars and thousands of jobs, the IPCC's errors make plain that we need openness, transparency, and accountability in the scientific research financed by the U.S. taxpayers.

That was a year before the IG report came out, and it is almost exactly what the IG report said just this last week.

Two months before that speech, I asked EPA Administrator Lisa Jackson to delay the EPA endangerment finding based on Climategate. She told me—and I have a lot of respect for her, by the way. I have professed that many times. She is one whom normally I will ask her a question, and she will come out and give an answer, even though it may be an unpopular answer with her boss, President Obama. She said:

I do not agree that the IPCC has been totally discredited in any way. In fact, I think it is important to understand that the IPCC is a body that follows impartial and open and objective assessments.

She is saying essentially the same thing:

Yes, they had concerns about e-mail. I do not defend the conduct of those who sent those e-mails.

Here, they are talking about Climategate. We all remember those secret e-mails going back and forth between the principals to somehow fraudulently manipulate the science. She goes on to say:

There is peer-review, which is part of the IPCC process. There are numerous groups of teams and independent researchers all a part of coming up with IPCC findings, such that even the IPCC has said that while we need to investigate and ensure that our scientists are to a standard of scientific conduct that we can be proud of, we stand behind our findings.

So they are all whitewashing the work of the IPCC—again, that was before the IG report came out—but it didn't work because there are magazines throughout the world, publications which generally were on the other side of this argument or their side of the argument. The Guardian, for example, talking about Climategate and how they are a disgrace, said:

Pretending that this isn't a real crisis isn't going to make it go away.

The Daily Telegraph said:

This scandal could well be the greatest in modern science.

This is what they are talking about with Climategate.

The Atlantic Monthly:

The stink of intellectual corruption is overpowering.

Let's remember, the economic ramifications of global warming regulations imposed upon the EPA under the Clean Air Act will cost American consumers somewhere in the range of \$300 billion to \$400 billion a year. This is not to mention the absurd result that EPA readily admits they need to hire 230,000 additional employees and spend an additional \$21 billion to implement its greenhouse gas regime if they are not given wide discretion to circumvent the law, and all this economic pain is

for nothing—no gain at all. As the EPA Administrator admitted before our committee, it would have no effect on the overall release of anthropogenic gases.

Also, of note, what happened to the EPA's vow in 2009 that the Agency would commit to high standards of transparency because "the success of our environmental efforts depends on earning and maintaining the trust of the public we serve" or Obama adviser John Holdren's promise that the administration would make decisions based on the best science possible because, as the President said, "the public must be able to trust the science and scientific process informing public decisions." Given what has come to light in this report, it appears the Obama EPA cannot be trusted on the most consequential decision the Agency has ever made.

I have already called upon the committees in the Senate—this would be my committee of which I am the ranking member, the Environment and Public Works Committee—to have an investigation. My gosh, I don't ever recall in the years I have been here an IG report coming out where there weren't numerous hearings to find out and to probe into why they came up with the decisions they made.

I have tried for 10 years now to pursue this thing with the various bills that were introduced to do legislatively—to implement the requirements. Then, when we see they are unable to do it—and if we look around this Senate, there are only about 30 votes now. They don't have half the number of votes to impose cap and trade. They don't have it. It is not here. That is why the President is trying to do it through regulations.

It is kind of interesting, if we put this in perspective. This supercommittee they keep talking about, the 12 people—6 Democrats, 6 Republicans, 3 from the House, 3 from the Senate—their goal is to find \$1.5 trillion in 10 years. We have a President in his own budget—and this isn't Democrats or Republicans or House or Senate. This is the President. His three budgets he came out with have just under a \$5 trillion deficit. That is inconceivable.

I can remember coming down here in the mid-1990s, when President Clinton was in power. The first \$1.5 trillion budget we had, I complained this is not sustainable. Now it is \$1.5 trillion over and above what it costs to run America. Obviously, that can't be done.

So when we stop to think about the fact that it should be fairly easy to find \$1.5 trillion, that would just be his deficit for 1 year to find \$1.5 trillion.

This is kind of hard to follow. But if they were successful in implementing what they could not do by legislation and have a cap and trade, that would cost a minimum of \$300 billion a year; or, multiply that by 10, that would be \$3 trillion.

So we have this supercommittee out there trying to find \$1.5 trillion; at the

same time, they are advocating increasing the cost to America by \$3 trillion. It is not believable.

I think it is very important, and I am on the floor now trying to gather support for having a hearing. We can't have an IG report talking about the flawed product of the EPA, of the IPCC, of the United Nations and not have some kind of investigation. I hope we will be able to do that.

I yield the floor and suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

Mr. CASEY. Madam President, I ask the order for the quorum call be rescinded.

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

Mr. CASEY. Madam President, I rise to speak this afternoon about the legislation that is before us, the Currency Exchange Rate Oversight Reform Act, which got an overwhelming vote yesterday. There are not many times when a piece of legislation on a specific topic gets the kind of overwhelming support to move forward as we saw yesterday in the vote that took place, and now we are considering the bill.

When you go across Pennsylvania, if you drew a line down the middle of our State and moved to the east, a lot of communities were devastated by flooding. Other than that issue, the No. 1 issue for the people of our State—and I think the people of the United States in total—is the issue of jobs. In their frustration, they look to Washington for action and for solutions. Too often what they see when they turn on the television set or read about what is happening here, they see a lot of fighting, a lot of bickering, a lot of back and forth and, frankly, a lot of politics but not enough action on the question of jobs.

What we have before us is not some esoteric bill about currency, although it is somewhat about that. Obviously, it truly is not that. This is a bill that speaks directly to the frustration Americans feel and I know the people of Pennsylvania feel. There are not many places in Pennsylvania I can go where I talk about this issue of China for many years cheating on currency and us losing lots and lots of jobs because of it. Hundreds and thousands of jobs are lost because of that. There are not many places in our State where I can go to talk about that where the point of view that I express doesn't receive unanimous support.

This is a very real issue for people. This isn't far off. They know that, just as in other aspects of life, especially on something as consequential and significant as international trade—most people understand that when we are involved in that kind of endeavor, we have to play by the rules. Every country should play by the rules. When we have a country as big and as signifi-

cant in the international economy or the international marketplace as China not playing by the rules, cheating time after time after time, giving their workers and their industries an unfair advantage, I think most people know what that means. It is not just a question of fairness and playing by the rules; it is the impact of that cheating, as Americans lose jobs and have lost jobs. So we have to take action. The time is up. We have been talking about this for years. We have been pleading with China in one way or another, urging them, pushing them, but the time for that is over. The time to act is now.

This is a prudent piece of legislation. It does a couple of things. Basically what it does is to at long last help American manufacturers and our workers by clarifying that our trade enforcement laws can and should be used to address currency undervaluation. It also provides an opportunity for us to improve oversight by establishing objective criteria to identify misaligned currencies and imposing tough consequences for offenders. So it doesn't put into place a new rule for international trade; it just says that if you violate the rules, there are going to be consequences and that our Treasury Department and our Commerce Department are going to take action no matter what administration is in office, a Democratic administration or a Republican administration.

I can point to a number of Senators in both parties—and I think I am one of them—who have been urging this administration and the prior administration to take stronger, more decisive action. For a variety of reasons, they haven't done that. That is not to say they haven't been working on it and not to say they haven't been pushing their counterparts in China, but I think we have been far too timid in the approach we take because, again, this isn't some far-off issue. This is about American jobs and whether we are going to stand by and allow more and more—tens of thousands or hundreds of thousands more—American jobs to be lost in the next decade as we have seen hemorrhage from our society in the last 10 years. One of the causes, one of the substantial factors in that job loss—not the only but one—is the cheating China does on its currency.

It is as if we are telling our workers and our companies: Look, we are going to have a foot race with Chinese companies and Chinese workers, and we are going to have this competition, as we have every day in the international marketplace, but China is going to start at the—if this is a 100-yard dash, they are going to start at the 20- or 25- or 30-yard line and then we are going to start the race and see how we do.

It is completely unfair to our workers. It undermines their ability to compete even if they are working as hard as they can, even if they have a high skill level, even if the company has invested time and training in those workers, has invested capital in the

equipment and the technology. Sometimes it doesn't matter what the company does to improve its production, to improve its efficiency. It doesn't matter what the workers do. They can go to school and learn and prepare and get trained. But if they are at a 15- or 20- or 25-percent disadvantage—by the way, those are the lowest estimates. This has been a problem of above 30 percent or higher at times. But no matter what the percentage is, we know there has been a lot of cheating and we know it is costing us jobs. So it is time for action.

This morning at the Joint Economic Committee hearing, we had Federal Reserve Chairman Ben Bernanke. I asked him about currency, and I actually read to him some statements he has made in the past about currency and about the adverse role China has played, the role about which I am as frustrated as any American. I asked him about that. The summation of his comments has been reported already, but in addition to commenting about the impact on our workers and our companies, he talked about the impact of China's currency policies on the global economic recovery. So this isn't just an adverse consequence for America, for the United States, this is an impediment to a full and robust recovery around the world. So this isn't just limited to the impact on our workers and our companies, it has worldwide reach, worldwide impact, and worldwide consequences.

So the United States is unwilling, so far, to crack down on China's currency and to crack down on what I would assert is manipulation. Some will say: Well, it might be something different than that, but I think it is basic manipulation—cheating. I think it is a step we have to take now, to have rules in place for how we react to their cheating and then to have very tough consequences. That is what is in the bill.

Unfortunately, this inability to respond appropriately or assertively or aggressively is one of many, I would argue, pieces of a flawed trade strategy that have been a prevailing point of view over the course of two administrations. We are going to have some debate about trade coming up, and we are going to see some interesting alliances, some interesting coalitions here. But our flawed trade strategy—if we can even call it a strategy—has failed over many years, failed our workers and failed our companies.

We will get to the debate on the trade agreements later, but at least today and this week we can finally make progress on an issue that has cost the American people lots and lots of jobs.

Let me give my colleagues a sense of what could happen if we are able to pass this legislation. In a report dated June 17 of this year from the Economic Policy Institute—one of the many think tanks across Washington of various points of view that have studied

this issue—and I am broadly summarizing, but one of the many conclusions they reached about this issue is that if China revalued its currency by 28.5 percent—now, many would say it is a bigger problem than a 28.5-percent or 28.5-percent advantage their workers and their companies have—if they revalued to that level, at 28.5 percent, the growth in our gross domestic product in the United States would support 1,631,000 U.S. jobs. If other Asian countries also revalued their currency, then 2,250,000 American jobs would be created. So even if someone could prove those numbers are off by 10,000 or 20,000 or even if we could debate the number being off because some might reach different numbers—but I have seen numbers that high, and I have also seen numbers in the hundreds and hundreds of thousands of jobs.

So any policy we can enact here—in this case, being appropriately tough with China on the cheating they do on currency—if passage of legislation such as this, the one we are considering, leads to the creation of 1.6 million jobs just as it relates to having China play by the rules, why wouldn't we pass legislation to do that?

People are saying over and over to us, please do something about jobs. And sometimes the response is, well, we are trying, but we can't get agreement or we are trying, but we don't have all the solutions. We finally have a piece of legislation that will create jobs for sure and has broad and substantial bipartisan support.

We should pass this bill because it will send two messages that are badly needed right now from us to the American people—No. 1, that we are focused on job creation in the near term, not 10 years from now but in the next year or two. So it is a very specific answer to their request of us as their elected representatives that we focus on enacting legislation that will create jobs. Secondly, the message we will send to the American people is that we finally get it. Finally, Democrats and Republicans can come together on a very serious issue of great consequence to families who have been devastated by job loss; that we are finally coming together, Democrats and Republicans, working together to have a unanimous vote on a job-creation bill.

It is that simple. Anyone who tries to make it more complicated than that is probably trying to mislead because it is that simple. We need to focus our attention in the days ahead to get this legislation passed and to finally take action in a way that is directed at job creation in a bipartisan way.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. BROWN of Ohio. Mr. President, I appreciate the Presiding Officer's comments earlier in support of the Currency Exchange Rate Oversight Reform Act of 2011. The Presiding Officer and I—both Democrats—joined by five Republicans and three other Democrats—are the prime sponsors of the Currency Exchange Rate Oversight Reform Act of 2011.

The cloture motion on the motion to proceed was agreed to—the rules in the Senate are sometimes a bit impenetrable, but the cloture motion on the motion to proceed to the bill was agreed to last night with 79 votes out of 98. So there is clear interest in this body to debate one of the most important jobs bills we have seen in front of us, I say to the Presiding Officer, in our almost 5 years in the Senate. I have not seen in my time here another jobs bill be voted on this overwhelmingly, this bipartisanship, that was this important for putting people back to work.

Let me sort of expand on that. First of all, this Currency Exchange Rate Oversight Reform Act of 2011 has broad support from business and labor. It creates jobs without spending taxpayer dollars. In fact, this legislation raises revenue and reduces our deficit, clearly, because when people go back to work, people who are now on unemployment benefits—sometimes receiving food stamps, sometimes getting other subsidies, maybe trade adjustment assistance, which the Presiding Officer has been so involved in—instead, people going back to work will be paying taxes and not be the beneficiaries of those programs. So it is a plus both ways in terms of reducing our government's budget deficit.

Most important, it is in response to an enormous problem, an enormous economic threat, brought on by the Chinese Communist Party Government. Senators SCHUMER, CASEY, SNOWE, STABENOW, SESSIONS, BURR, HAGAN, COLLINS and I have been working closely to bring this bill to the floor. I thank the majority leader, who usually sits at this desk, for bringing this bill to the floor to respond, purely and simply, to China's protectionist trade policies. This is not the United States turning inward and pointing fingers at other countries. This is a response to Chinese protectionism, to Chinese economic policies and trade policies that have been unfair, that cheat—the Chinese have cheated—and that cost us American jobs.

We know when a factory closes—we have had 50,000; Senator SANDERS said earlier today, we have had 50,000 factories close in this country in the last decade or so, not all because of China. I do not blame them nearly for all that. But when a factory closes, we know what it does to a community, whether it is in Harrisburg, whether it is in Sharon, whether it is in Erie, whether it is in Cleveland or Akron or Canton.

I am encouraged by my colleagues on both sides of the aisle who support this bill who see how China's protectionist trade policies have undermined businesses, have disadvantaged manufacturers, and ultimately, most importantly, have cost American jobs. We all know the problem. For years, China subsidized its exports by adopting artificial, manipulated exchange rates not based on market forces. As a result, China's exports to the United States remain cheap, our exports to China remain more expensive. In other words, because they cheat on their currency, a product made in Wuhan and sold in Lima or Dayton, OH, will be cheaper because they have subsidized their production by weakening their currency.

At the same time, if a company in Lima or Dayton, OH, tries to sell into China, the cost of that item is 25 percent more because China has gamed the currency system. So by keeping the value of the renminbi, the RMB or the yuan, the words for the Chinese currency, by keeping the RMB artificially low, China incentivizes foreign corporations to shift production there because it reduces the price of investing in China and makes Chinese exports cheaper.

In this continued devaluation—I use the percentage 25 percent, some economists say it may be as high as 40 percent, but clearly it is that range—they are cheating, they are gaming the system 25 to 40 percent. Think about in Pennsylvania and Ohio, two States that have a lot in common. Think about a company, think of two gas stations on opposite corners. One buys its oil 25, 30 or 35 or 40 percent less expensively, pays a lower price than the competitor across the street. It is clear what is going to happen. The competitor that cannot get the break, get the subsidy, is going to go out of business pretty quickly.

It is that phenomenon that has caused serious harm to the U.S. economy and has cost America jobs. In 1993, the Chinese currency, the RMB, was valued at approximately 5.5 to 1 U.S. dollar. Then, from 1995 to 2005, it was valued at about 8.28 without change during that period. That can mean one of two things: a huge coincidence or blatant currency manipulation.

Our trade deficit with China in 1993 was about \$30 billion, \$40 billion—in that range. Today, we run a deficit 8, 9, 10 times that, of \$275 billion—a bilateral deficit just in our relationship with the Chinese. According to a recent Economic Policies Institute report, since China joined the WTO, the World Trade Organization, in 2001, 2.8 million jobs have been lost or displaced in the United States as a result of the U.S. trade deficit—2.8 million jobs. That is hundreds of thousands in my State. It is tens of thousands in States as small as West Virginia. It is hundreds of thousands in States as large as Pennsylvania.

Currency manipulation is not the only reason China enjoys an enormous

trade surplus, but it is certainly a big part of the reason. From 2005 to the middle of 2008, we started to fight back and were headed in the right direction, however slowly. The Senate overwhelmingly supported a measure offered by New York Democratic Senator SCHUMER and South Carolina Republican Senator GRAHAM that would put tariffs on Chinese imports if the government did not let its currency appreciate.

All it did was it wiped clean the advantage China had created by manipulating its currency. That bill passed the Senate, but it did not pass the House. It was never signed by the President. But what it did do was get China's attention. Beginning in 2005, China began to do a slight currency appreciation, which allowed for a few years of modest progress toward letting its currency appreciate.

But then in the summer of 2008, China abandoned its feigned interest in fairness. It once again fixed the value of the renminbi against the U.S. dollar. Then, in June 2010, China vowed to allow its currency to float more freely against the dollar and other foreign currencies. The Peterson Institute for International Economics found that, despite the intervention appreciation, the RMB is even more undervalued today against the dollar than it was 1 year ago. That is the recent history of China's currency manipulation.

The Chinese, in other words, when they know people are watching, when they see the U.S. Government, with our very strong economy—even when we look weak internally and way too many people unemployed, we are the major economic force on Earth—when they see us doing something, they respond. They start to act a little better. It is a little bit similar to a naughty kid. When the parents are watching, they are going to act better. When the Chinese—we hope our kids do not break the law the way the Chinese do, international trade law, but when we watch them, they behave better. When we exert discipline on them, in other words, we are going to change this law the way they have gamed the system on currency, they begin to let the currency float and let it appreciate and do some better, more fairminded things.

New research by economists at MIT shows how much damage China's trade and export policies have done to our labor market and to our communities. The report shows China imports actually have effects on jobs but also increased use of Federal programs such as the Social Security and disability insurance program. Of course it does. When people get laid off, all kinds of things happen in their lives. They apply for food stamps. They may lose their home, causing, if they are foreclosed on, the values of homes in the neighborhood to decline, and the public schools do not have quite the support. They may not be able to hire one teacher as a result of a handful of people losing their jobs. All those things

happen. So when the Chinese game the currency system and jobs are lost in Pittsburgh or in Dayton, then bad things happen in Pittsburgh and Dayton to those families, to those communities, to those States.

What has been our response when our trading partners use any means necessary—low labor costs, direct subsidies, currency manipulation—to compete? What has been our response? It has been inaction. We have not done very much. It has been adherence to the status quo, and we can no longer afford to do that. Some like the Presiding Officer from Pennsylvania and others of us around here have been beating the drum for a long time that these trade agreements are not fair, that they are not fair to the American worker and to Americans, particularly small manufacturers. Bigger manufacturers kind of take care of themselves. They kind of do it by moving production overseas. Small manufacturers usually cannot do that.

We know what it does to our workers—bad tax law, bad trade law, bad currency policy. This bill is a modest measure. It is not as sweeping as I would like to do. But it is a modest measure that gives our government the tools to fight back. With different parts authored by several of my colleagues, this bill came from two other bills we put together. The bill updates the processes and tools the government would have at its disposal when it comes to countries that are currency manipulators, that are in some ways repeat currency manipulators.

Senator SNOWE from Maine, a Republican, and I, a Democrat, have worked on a part that would immediately designate unfair subsidies as an unfair trade practice. That means jobs for a number of industries: coated paper in southwest Ohio, tires in Finley, OH, aluminum extrusion, tubular steel in northeast Ohio. It means more American manufacturers, from autos to clean energy, can petition the government against unfair subsidies from importing countries.

That measure is combined with comprehensive measures to reform the structural deficiencies in our government's approach to combating currency manipulation. That part of the bill was spearheaded by Senators SCHUMER and GRAHAM. It would improve oversight of currency exchange rates—and I would add Senator STABENOW was involved in that.

It would improve oversight of currency exchange rates. It would ensure that the Treasury Department properly identifies countries that undervalue their currency. Under the Omnibus Trade Act of 1988, the Treasury Department is required to formally identify countries that manipulate their currency for the purpose of gaining an unfair competitive trade advantage. In recent years, Treasury has found that certain country's currencies were undervalued. It was pretty clear and pretty obvious.

Reputable economists from the Reagan administration, from the Carter administration, for years respectable economists were saying these currencies were undervalued 25 percent, 35 percent, some have said as high as 50 percent. It was pretty hard for the Treasury Department to say anything other than these countries' currencies were undervalued.

However, based on the interpretation of the law's legal standard for a finding of manipulation, the finding of the word "manipulation," Treasury has refused and continues to cite such countries as currency manipulators.

Our legislation is bipartisan. As I said, five Republicans, five Democrats are the primary sponsors. It got 79 votes. Three Democrats voted against moving the bill forward yesterday; 16 Republicans voted against it. So it has broad bipartisan support.

But what is amazing is the President of the United States, in either party—President Bush was negligent in finding of manipulation. President Obama has been negligent in finding manipulation. I will give some credit to President Obama in his move, in some cases, of actually doing real enforcement of trade rules and trade laws. It has turned immediately into job growth in the Mahoning Valley, a new steel mill, in Finley with tires, in southwest Ohio with paper. But the President and the Treasury Department have just neglected to do their duty; that is, interpreting and saying China has manipulated currency.

The biannual release of this statutorily required report to Congress is almost a Washington charade. Last year, Secretary Geithner even announced he would delay the report's release. I care less about the exact timing of this report than I do the administration's willingness to be open with Congress and the American people about what it is doing and why it is doing it. But here is why it is important.

Some argue the Commerce Department already has the authority to treat currency manipulation as an export subsidy and apply countervailing duties. But the Commerce Department has tended to also kick these decisions down the road, duck the issue of currency manipulation when it investigates other subsidies. The bill puts an end to that bureaucratic end-around.

I told a story earlier today on the Senate floor. I would like to repeat it, briefly. A trade lawyer representing a southwest Ohio paper company told me China did not even have a coated paper industry, the glossy paper magazines are typically printed on—did not even have that technology until a decade or so ago.

When they started those companies in China, they bought their wood pulp in Brazil, they shipped it to China, they milled it in China, and they sold it back here—at the high cost of transporting something as heavy as paper, as bulky as paper, for the price of paper; it is a pretty expensive move to

ship it from Brazil to China to the United States. The cost of labor is only about 10 percent of the production of paper. Yet China has found a way to underprice Ohio paper and underprice paper made in other parts of the country.

It is pretty clear that is, in part, because they get a 25-, 30-, 35-, 40-percent basically add-on benefit for their price because of currency manipulation. That is why, in part, they are being able to do that. They are probably subsidizing their water, their energy and their land and their capital also, so that they can underprice us. That is why this is so serious.

Ohio workers have lost jobs because China has gamed the currency system. That is all we should need to know. American companies have folded, have gone out of business, because China has cheated on its trade policies, not following the rule of law in the World Trade Organization. That should be enough to get 100 votes in this body.

It got us 79 yesterday. Our bill makes it clear that countervailing duties can be applied when imported goods benefit from currency manipulation as an export subsidy.

The bill would establish new criteria to identify countries misaligning currency—and trigger tougher consequences for those who engage in such unfair trade practices.

We can no longer accept China and other countries doing whatever it takes to make their exports cheaper. We can no longer accept that China continues to mount a massive trade surplus in the United States.

It is time to enforce the trade laws, and it is time the WTO enforces its rules.

Critics claim this bill would ignite a trade war with China. Frankly, they declared a trade war at least one decade ago. If it is not a trade war, critics assert this bill is not compliant with our World Trade Organization obligations.

I have listened to many multinational companies argue our bill will provoke retaliation by China. My question to these detractors is, How can China impose retaliation against something that is, in fact, WTO legal? But since receiving PNTR status and the benefits of WTO membership, China has taken money from American consumers and investors without fully opening its markets to American businesses and workers.

The results are record trade deficits and millions of lost jobs in Ohio and across the United States.

These arguments come from the same proponents of giving China PNTR status and WTO membership, so China would adhere to a rules-based trading system—and they predicted and promised in 2000, when it passed, that China would adhere to a rules-based trading system. They have not been. People care about our exports to China, as do I. Remember, currency undervaluation makes exports harder to sell also. Yes,

our exports have grown in China. But while U.S. exports to China have increased to China, they have not come close to balancing imports from China. Imports from China have grown faster—in fact, about three times as many as we export to China.

Look at our trade deficit with China versus the rest of the world. In 2000, China represented 26 percent of our total trade deficit. Last year, it was just over 70 percent. In the space of 10 years, look how this changed. That is the whole story.

Currency is a big factor that cannot be denied. While many multinational companies don't say it, I think it is clear that even the most ardent proponents of China PNTR are feeling a bit of buyer's remorse because of China's aggressive protectionism.

Others, in criticizing this bill, will say there is nothing we can do to bring back the jobs we have lost—that Americans don't want to work at those jobs anymore anyway. That is a pretty naive view of American manufacturing. My State is No. 3 in manufacturing. California, which has three times the population, and Texas make more than we do.

If we don't act, we are not just talking about jobs in textiles or steel or tires, which are important; we are talking about jobs in clean energy, semiconductors, and auto supplies.

A trade war? WTO compliance? Retaliation? We welcome this debate. I want colleagues to come to the floor—some of the 19 who opposed moving this bill forward, when they say China will start a trade war and talk about WTO compliance and retaliation. The fact is China has been playing that trade war for 10 years.

The American people have been patient as the administration continues a strategy of talk without action. But our patience is up, as more U.S. businesses are undercut and more U.S. jobs are eliminated.

This bill is about economic competitiveness, where everyone is competing in the market by the same set of rules.

I have been to maybe 150 manufacturing plants in my State in the last 3, 4 years. I know American businesses can compete and American workers can compete. Let's make the playing field level, and S. 1619 will help us do that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, first, I commend the Senator from Ohio for his leadership on this bill. This has been a long time in coming. It is a long battle that is being fought over Chinese unfair trade practices. One of the most significant and damaging unfair trade practices is the manipulation of currency by the Chinese. Senator BROWN is taking the lead in getting this finally rectified. I commend him for it. I know the Presiding Officer, the Senator from Pennsylvania, is also a real fighter in this area, trying to correct the unfairness that has been allowed to exist

when the Chinese currency is manipulated. Senator CASEY, I believe, has been a leader and is an original cosponsor. I am proud to be a cosponsor of the bill.

I have long supported the effort to take action against unfair currency manipulation by our trading partners. I think for at least the last 8 years we have had bills that have been introduced to address the issue of unfair currency manipulation. This is an unfair trade practice that contributes to large U.S. trade deficits and to job loss.

The reality is that when American companies do business in the global marketplace, they are not competing against companies overseas; they are competing against foreign governments that support those companies. That is especially true with foreign governments such as China and, in the past, Japan and other countries that manipulate the value of their currency to keep its value artificially low. Currency manipulation makes Chinese exports unfairly cheap and U.S. products more expensive in China, displacing U.S. production and jobs. This is nothing short, as Senator BROWN has said, of a Chinese Government subsidy, and we should be fighting against it—hard.

Trade creates new jobs when we export. Trade results in the loss of jobs when imports replace goods that were once produced here. When trade deficits rise, we are losing jobs to imports. The reality is, we have been running massive, unsustainable trade deficits with China. Just in the first 7 months of this year, we had a trade deficit of more than \$160 billion with China. That is four times larger than our deficit with any other trading partner. Last year, we exported \$92 billion of goods to China, and we imported an astounding \$365 billion from China. So there is a growing trade surplus, as illustrated by the charts Senator BROWN has presented to us.

China's growing trade surplus with the United States and the rest of the world has been fueled by massive currency manipulation, subsidies, and other unfair trade practices. Estimates are, the Chinese currency is undervalued by up to 40 percent, which makes U.S. goods that much more expensive for Chinese consumers and makes Chinese goods artificially cheap in the United States and around the world. As a result, U.S. imports from China have increased, and U.S. exports to China have been suppressed.

Senator BROWN has gone through some of the numbers, and I will repeat them because I think it is important that every American focus on these numbers and the growth of this trade deficit with China.

In 2001, our trade deficit with China was \$84 billion. It grew to \$278 billion in 2010. According to an Economic Policy Institute study, released in September, this deficit resulted in the loss or displacement of nearly 2.8 million U.S. jobs over that period. The report blamed part of our deficit with China

on their manipulation of its currency, and it is simply long overdue that we enact legislation to end that unfair advantage because the tools we have to combat the problem have been, so far, unequal to the task.

The International Monetary Fund has what it calls articles of agreement. Those articles prohibit countries from manipulating their currency for the purpose of gaining unfair trade advantage. But the words are hollow because the IMF has no means to enforce that prohibition.

Our current laws give the administration, on paper, the power to act to combat currency manipulation. But those laws are easily bypassed and too easily ignored. Both Republican and Democratic administrations have failed to take action. The Treasury Department is required to issue a semi-annual report on international economic and exchange rate policies, in which it could conclude—as almost every independent observer concludes—that China is manipulating its currency. To date, the Treasury Department has never made such a finding since the 1988 Trade Act mandated the report. Instead, what it does—the Treasury Department—is hint, suggests, and sometimes threatens, but it doesn't act.

A couple examples. The Bush administration's 2006 exchange rate report said the following:

China needs to move quickly to introduce exchange rate flexibility at a far faster pace than it has done to date. Given our strong disappointment [5 years ago] and the importance of China to the world economy, the Treasury Department will closely monitor China's progress in implementing its economic rebalancing strategy, remain fully engaged at every opportunity with China, and continue actively and frankly to press China to quicken the pace of renminbi flexibility.

That was the Bush administration 6 years ago. In May of 2011, under the Obama administration, here is what the exchange rate report states:

Treasury's view, however, is that progress thus far is insufficient and that more rapid progress is needed. Treasury will continue to closely monitor—

Those were the same words used 5 years ago. Maybe they took this from the computer and moved it from 2006 to 2011.

the pace of appreciation of the renminbi by China. It is a high priority for Treasury—

Really? That is good news. The trouble is, the facts don't support the statement.

working through the G-20, the IMF, and through direct bilateral discussions to encourage policies that will produce greater exchange rate flexibility.

The failure of administration after administration to do more than closely monitor rather than take action is why Congress must act to pass legislation to require action against foreign countries that are unfairly manipulating their currency.

So the bill before us, S. 1619, the Currency Exchange Rate Oversight Act, which is a bipartisan bill, combines

several earlier currency manipulation bills. It clarifies that U.S. countervailing duty laws can address currency undervaluation, giving American companies and manufacturers stronger tools to fight back against these unfair trade practices. It would also replace the weak and flawed currency provisions in current law with a new framework, based on objective criteria that will require Treasury to identify misaligned currencies and require action by the administration if countries fail to correct the misalignment.

Under this bill, the administration would be required to take specific action if a country with a priority currency designation does not adopt policies to eliminate the misalignment within specified periods of time. For instance, if no policies are adopted after 90 days, the legislation directs the administration to, among other things, prohibit Federal procurement of goods and services from the designated country, unless that country is a member of the WTO Agreement on Government Procurement, of which China is not. After 360 days of failure to adopt appropriate policies, the USTR—the Trade Representative—is required to request a dispute settlement in the WTO with the government responsible for the misaligned currency.

Congress is on record in support of fighting currency manipulation. In 2007, a majority of Senators went on record supporting a currency manipulation bill that was brought up as an amendment to a State Department reauthorization bill. That bill would have imposed tariffs on Chinese imports to compensate for currency manipulation by China. But it was withdrawn by its sponsors in exchange for a promise to develop and vote on a WTO-compliant bill. The pending bill is a WTO-compliant bill. Last Congress, the House of Representatives passed a bill, H.R. 2378, the Currency Reform For Fair Trade Act. That narrower currency manipulation bill made it clear that the Department of Commerce is to fight the illegal subsidization of foreign currencies by using U.S. countervailing duty laws. Unfortunately, the Senate ran out of time at the end of the session and we did not take up the bill.

So the bill before us, S. 1619, will allow us to deal with any country that is found to be manipulating its currency, not just China, which is at the moment the worst offender. In the 1990s and early 2000s, Japan manipulated its currency, and this was a major problem for our manufacturers and put them at an unfair competitive disadvantage vis-a-vis Japanese manufacturers. For instance, when the Japanese Government was intervening in currency markets to hold the yen at 116 yen to the dollar, that translated into an \$8,000 subsidy for every large vehicle imported into the United States from Japan. The market share

gained by Japanese auto manufacturers was to a significant degree the result of the currency manipulation undertaken by the Japanese Government on behalf of its exporters. Because today the Japanese yen is at historic highs, Japanese currency is not an immediate concern. This could change at any time because Japan has recently indicated it is willing to intervene again in currency markets.

So, Mr. President, with both Chambers now on record supporting currency manipulation legislation, there is no reason we should not pass this legislation quickly and send it to the President for his signature. I hope our colleagues will support this bipartisan legislation because it will finally—finally, long overdue, years too late—address the very problematic and costly practice of our trade competitors who manipulate their currencies to create jobs in their countries at the expense of jobs here in the United States.

I again thank Senator BROWN of Ohio for his great work on this bill. I know he and the Presiding Officer, Senator CASEY, and others, including my colleague from Michigan, have been working hard on this bill, and hopefully in the next couple of days it will come to a fruitful conclusion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN of Ohio. Mr. President, I thank Senator LEVIN. There is no better team in any State in the country than Senator LEVIN and Senator STABENOW. With all the troubles they have had in that State with manufacturing, as has my State, they are always on the right side of these issues and advocating for local companies, especially small companies that feed into the auto supply chain, and for the workers of those companies. So I am appreciative of his leadership for so many years.

Mr. President, 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. WHITEHOUSE. 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. WHITEHOUSE. Mr. President, I rise today to speak in support of the Currency Exchange Rate Oversight Reform Act of 2011, and I would note the presence on the floor of one of its principal sponsors, Senator SHERROD BROWN of Ohio, whom I have been very pleased to work with on this legislation.

I am proud to be one of the original cosponsors of this bill, an important piece of bipartisan legislation that will help protect American workers from the trade-distorting effects of currency manipulation. In particular, this legislation will allow us to fight back against policies China has used to gain

an unfair advantage over American manufacturers.

Our American trade deficit with China rose from \$83 billion in 2001—the year China joined the World Trade Organization—to \$273 billion in 2010. That trend is discouraging enough on its own, but it is more troubling to consider that the growing trade deficit ultimately represents goods no longer made in the United States by U.S. workers. In fact, the Economic Policy Institute estimates that the trade deficit with China has cost 2.8 million American jobs over the past decade, including nearly 12,000 jobs in my home State of Rhode Island.

With so many families still struggling with unemployment in the wake of the recession, it is important that we examine just how we came to lose so many jobs to a single country and respond accordingly. It would be one thing if the answer was that China's workers are just more talented, their products are of higher quality, and they have simply bested us in the open market. But that is not the case. The evidence suggests another explanation: that China is gaming the international system.

First, China provides subsidies to critical industries, which likely violates World Trade Organization rules and gives Chinese companies an unfair competitive advantage over American manufacturers.

Second, by restricting exports of their raw materials, China drives up the cost of making products here in the United States.

Third, by turning a blind eye to or even facilitating the rampant theft of American intellectual property, China benefits from what may be the largest illicit transfer of wealth in history.

Finally, of course, China appears to be intentionally manipulating the value of its currency. Indeed, through controlled purchases of massive amounts of U.S. currency, the Chinese central bank has made the value of its currency—the yuan—artificially cheap relative to the U.S. dollar. Economists estimate the yuan is currently undervalued by as much as 28 percent against our dollar. The depressed value makes it 28 percent cheaper to buy goods from China than from the United States and it makes U.S. goods correspondingly more expensive. It is essentially a subsidy for Chinese products and a tax on U.S. products.

This is much more than a problem of abstract economic theory. The consequences of currency manipulation are deeply felt in households in Rhode Island and across the country. In the Presiding Officer's home State of Pennsylvania, in the floor manager's home State of Ohio, and all across the United States, it is felt by families who for generations have contributed to our growth as a nation by going to work every day and building things, from cars and boats to toys and electronics. These workers helped define our American character, from the start of the

industrial revolution at Slater Mill on the banks of Rhode Island's Blackstone River through the first decade of the 21st century. But they have watched in recent years as job after job has been lost to China.

This unfair competition needs to stop. The advantage the undervalued currency gives to Chinese companies has put American manufacturers out of business and middle-class Americans out of work.

The Wall Street Journal reported last week on a study that measured the impact of unbalanced trade with China on communities across the country. The research shows that areas with industries exposed to Chinese import competition have higher unemployment rates and lower wages, and the people in these areas are forced to rely more heavily on government safety net programs.

That study ranked the Greater Providence, RI, area second among regions exposed to competition from China. This comes as no surprise to Rhode Islanders.

Rhode Island was once a world leader in textiles and jewelry manufacturing. But these industries have been hit hard by a flood of cheap imports from China, greatly straining our State's economy. If we regained the nearly 12,000 jobs estimated to have been lost to China over the past decade, our unemployment rate in Rhode Island would drop by two full percentage points.

As I travel around Rhode Island, I have heard time and time again from workers and business owners about the costs of Chinese currency manipulation.

George Shuster is the CEO of Cranston Print Works, a textile manufacturer that traces its roots in Rhode Island back to 1807. He told me:

We know first-hand the impact that China's disruptive policies have had as we have seen factory after factory close their doors around us. Addressing China's manipulation of its currency would be a good first step to bringing our trade policy to where it needs to be to help get American manufacturers moving in the right direction again.

Leslie Taito is the CEO of the non-profit Rhode Island Manufacturing Extension Service. She has worked with a diverse set of manufacturers across the State to help them increase their efficiency and become more competitive. She told me this:

U.S. manufacturers are resourceful, agile, and fully capable to meet national and international demand. Currency manipulation creates an uneven playing field that has cost the United States countless jobs and has dramatically increased our trade deficit. I equate it to telling a boxer to go into the ring with one hand tied behind his back and asking him to come out the victor. Manufacturers in this country aren't asking for special consideration, they just want it to be fair.

Mr. President, this is why I made addressing currency manipulation a central part of my "Making It in Rhode Island" manufacturing agenda, and why I was one of the original cosponsors of

the legislation that is before the Senate today.

The Currency Exchange Rate Oversight Reform Act of 2011 will strengthen the tools that we have at our disposal to counter the actions of countries such as China that choose to manipulate their currency rates. This legislation will first improve the oversight of exchange rates and allow us to identify currencies that are misaligned. For countries found to manipulate their currency values or that fail to correct a misalignment, this law will trigger tough consequences. Our trade enforcement agencies will gain clear authority to eliminate the advantage created by currency manipulation by imposing tariffs on products imported from offending countries. This should send a clear message to China, or any currency manipulator, that if they abuse the currency markets, they will not benefit.

Simply put, this legislation will help level the playing field for American companies. Economists have predicted that a fair market for our exports would reduce our annual trade deficit by between \$100 billion and \$200 billion. The resulting increase in production would add over one-quarter of \$1 trillion to our GDP and create up to 2.25 million American jobs.

Are the Chinese squawking about this? Are the big multinational corporations who have no allegiance to any flag or nation squawking about this? Yes. Of course, they are. America has for too long been taken advantage of, allowing the wiles of others to erode our wealth. The winners at a rigged game will always object when the other party gets wise to the fact that the game is rigged and begin to do something about it.

But if we are to solve the problem of China's currency manipulation and stand up for American companies, American manufacturers, and American workers, we should pass this legislation.

I applaud my colleagues from both sides of the aisle for their work on this bill, and I commend in particular Senator SHERROD BROWN of Ohio who is here on the Senate floor managing the bill right now.

I yield the floor.

Ms. COLLINS. Mr. President, with unemployment stuck at 9.1 percent, and consumer confidence plummeting, we must take action now to help put Americans back to work.

Our Nation's job creators have been telling us for some time that the lack of jobs is largely due to a climate of uncertainty, most notably the uncertainty and cost created by new Federal regulations.

America needs a "time-out" from regulations that discourage job creation and hurt our economy. If a proposed rule would have an adverse impact on jobs, the economy, or America's international competitiveness, it should not go into effect.

Today, I am filing an amendment to provide a 1-year moratorium on final

rules that could have an adverse effect on the economy. The amendment is based on S. 1538, The Regulatory Time-Out Act, which I introduced last month with 16 of my colleagues. The timeout would cover major rules costing more than \$100 million per year, and other rules that have been considered "significant" under Executive orders going back to President Clinton and followed by President George W. Bush and President Obama.

The point of my amendment is to provide job creators with a sensible breather from burdensome new regulations. This would give businesses time to get back on their feet, create the jobs that Americans so desperately need, and enhance the global competitiveness of American workers.

This moratorium would also provide us with the time we need to review and improve the regulatory process. Earlier this year, I proposed the CURB Act, which stands for clearing unnecessary regulatory burdens, which would reform the regulatory process in several important ways. Many of our colleagues have also introduced regulatory reform proposals, and the Homeland Security and Governmental Affairs Committee has already held three hearings on the topic this year. I expect this issue will be a priority for our committee this fall.

In sports, a "time-out" gives athletes a chance to catch their breaths. American workers and businesses are the athletes in a global competition that we must win. Our workers need policies that will get them off the sidelines and back on the job. Our economy needs a time-out from excessive and costly regulations. My amendment will provide this needed time-out. I am pleased that Senators BLUNT, COATS, COBURN, ENZI, HUTCHISON, and THUNE have joined me in offering this amendment, and I urge my colleagues to support it.

Mr. President, I rise today to speak in favor of the Currency Exchange Rate Oversight Reform Act, which I was pleased to join with Senators BROWN of Ohio, SCHUMER, GRAHAM, SNOWE, and others in introducing. This legislation will ensure that the U.S. government finally gets tough with countries, like China, that manipulate their currency to gain an unfair trade advantage.

Maine's manufacturers and their employees can compete with the best in the world, but not when the competition is gaming the system to get a leg up. Time and time again, I hear from Maine manufacturers whose efforts to compete successfully in the global economy simply cannot overcome the practices of illegal pricing and subsidies of countries such as China. The results of these unfair practices are lost jobs, shuttered factories, and decimated economies.

A recent study by the Economic Policy Institute estimates that between 2001 and 2008, the U.S. trade deficit with China eliminated or displaced 2.8 million American jobs, including 9,500 jobs in the State of Maine. China's pol-

icy of intervening in currency markets to limit the appreciation of its currency against the dollar has played a major role in driving this deficit by making Chinese exports cheaper and imports more expensive.

The bill that we are now considering is an important step toward holding accountable countries, such as China, that manipulate their currency for the purpose of gaining an unfair trade advantage. I thank the leader for bringing this bill to the floor, and I urge my colleagues to support this legislation.

CLOTURE MOTION

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

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

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 1619, a bill to provide for identification of misaligned currency, require action to correct the misalignment, and for other purposes.

Harry Reid, Sherrod Brown, Charles E. Schumer, Al Franken, Jeanne Shaheen, Kay R. Hagan, Robert P. Casey, Jr., Richard J. Durbin, Michael F. Bennet, Richard Blumenthal, Carl Levin, Kent Conrad, Jim Webb, Benjamin L. Cardin, Sheldon Whitehouse, Tom Harkin, Daniel K. Inouye.

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

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

MORNING BUSINESS

Mr. REID. I ask unanimous consent that the Senate proceed to a period of morning business, with Senators allowed to speak for up to 10 minutes each.

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

FOREST JOBS AND RECREATION ACT

Mr. INOUE. Mr. President, this summer my wife and I spent some time visiting the forests in the Rocky Mountains and we were horrified at the rate of dead and dying trees throughout the region from the mountain pine beetle epidemic. Upon returning to the Senate and visiting with my colleagues, I learned that Montana has almost 5 million acres of trees impacted by this epidemic. Additionally, Wyoming has approximately 3½ million acres also impacted by this epidemic. These forests are in dire need and we must step up and empower the Forest Service to address this looming issue. The tactic of waiting for these trees to decompose while we solve our forest management battles does not work. While we wait, the timber infrastructure which can address this problem is also dying and