



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 111<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 156

WASHINGTON, THURSDAY, JUNE 17, 2010

No. 91

## Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York.

### PRAYER

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

Let us pray.

Almighty God, give our lawmakers grace to choose the way that leads to light. Direct their thoughts, words, and works so that they will follow where You lead. Prosper the works of their hands as they seek to glorify Your Name. Lord, free their hearts to give You zealous, active, and cheerful service. Help them so live that whenever Your call comes for them—at morning, midday, or evening—it may find them ready, their work completed, and their hearts at peace with You.

We pray in Your sovereign Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable KIRSTEN E. GILLIBRAND led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, June 17, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KIRSTEN E. GILLI-

BRAND, a Senator from the State of New York, to perform the duties of the Chair.

ROBERT C. BYRD,  
President pro tempore.

Mrs. GILLIBRAND thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE MAJORITY LEADER

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

### SCHEDULE

Mr. REID. Madam President, following leader remarks, if any, there will be a period of morning business until 10 a.m., with Senators allowed to speak for up to 10 minutes each. The majority will control the first half, the Republicans will control the final half.

Upon the conclusion of morning business, the Senate will resume consideration of the House message which accompanies H.R. 4213. There will be up to 2 hours for debate on the Thune amendment, which is numbered 4376, with the time equally divided and controlled between Senators THUNE and BAUCUS or their designees. If all time is used, at approximately noon today, the Senate will proceed to a vote on the motion to waive the Budget Act with respect to the Thune amendment.

As a reminder, last night I filed cloture on the Baucus substitute amendment. The managers of the bill will work with Senators on agreements to consider amendments so that we can move toward completion of the bill as quickly as possible. Senators should expect additional votes today in relation to amendments to the bill. Senators will be notified when additional votes are scheduled.

I have spoken to the manager of the bill, Senator BAUCUS, and he has spoken to a number of his Republican colleagues, and we are going to try to ar-

range a number of votes as soon as we finish the Thune matter. There are at least three that I know the Republicans want to offer, and there are a number on our side, but we will try to get that done as quickly as possible. This is not a time for never-ending amendments. This is the seventh week we have been on this legislation. They have not been contiguous, but they have certainly been spent on this legislation. So we hope we can work out a reasonable agreement on the amendments that need to be debated and voted on. If we can't work something out tonight, this afternoon, we will have to have a cloture vote in the morning. I would hope that can be avoided. I don't know if it can be.

The problem we have is that we have asked the Secretary of Health and Human Services, Kathleen Sebelius, to work to extend the time administratively so that the 21-percent cut to Medicare doesn't go into effect. We think we have been able to do that, until tomorrow. But we are in very perilous times here. Unemployment compensation benefits have already expired. These tax extenders, which are so important to businesses, have expired. Therefore, it is essential that we get something done. Remember, Medicare reimbursement is not just for Medicare patients. Even though some doctors have already said they are going to drop Medicare patients, it is for more than Medicare patients because most reimbursement in our country is based upon Medicare levels—insurance companies, HMOs, and veterans programs. So everyone on both sides of the aisle should understand that the time to sit back and say: We will work something out later isn't going to be here. We have to do something today, or tomorrow at the latest, because of this 21 percent cut. We have cried wolf for the last time. It will go into effect over the weekend.

We also have an important element in this legislation that deals with

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



Printed on recycled paper.

S5051

FMAP. The poorest of the poor in our country are able to get Medicaid through the State programs, and we assist at the Federal level. Those programs, in most States, are in a perilous state. They have cut a lot of the programs. A lot of people who are eligible for certain Medicaid procedures and office visits and things of that nature have been terminated already. I have received calls from at least 20 Governors—and it is not just Democratic Governors—who are desperate for this money.

So everything in this bill is paid for except FMAP and the situation I related to regarding unemployment compensation extension. Everything else is paid for. The doctor fix is paid for in the amendment that is now before us where cloture has been filed. So I hope we can work through these amendments the Republicans have to have and we have to have on our side and, if possible, we can go ahead and set up a vote to get rid of this piece of legislation today; otherwise, we will have a cloture tomorrow, and 30 hours runs after that, and by that time the doctors and patients will be harmed significantly, notwithstanding the fact that the unemployed have already been hurt.

#### RECOGNITION OF THE MINORITY LEADER

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

#### THUNE AMENDMENT

Mr. MCCONNELL. Madam President, Democrats continue to argue among themselves about how much they want to add to the deficit. Yesterday, they unveiled their latest proposal, which would add another \$50 billion. And they are calling this an accomplishment—an accomplishment they reached not by making any tough choices but by shortening the length of time they would pay for programs they know they will end up extending anyway. Only in Washington would people boast about saving money they fully intend to spend down the road. And only in Washington would people raid a trust fund intended to pay for oilspill cleanup to cover completely unrelated spending in the middle of an oilspill. Let me say that again: Only in Washington would people raid a trust fund intended to pay for oilspill cleanup to cover completely unrelated spending in the middle of an oilspill.

So Democrats can continue to play these games or they can join Republicans in voting for the Thune amendment later today. The Thune amendment would actually do the thing Americans want us to do right now; that is, lower the deficit and create real opportunities for job growth.

Senators will have a simple choice today: They can either vote to reduce the deficit or they can lock arms with

the Democratic leadership and dig an even deeper hole of debt, when most Americans think \$13 trillion is far too much already. If you are even remotely attuned to what Americans are asking us, this would be an easy choice. Our colleagues across the aisle have come down to the Senate floor over and over to claim the mantle of fiscal responsibility. Well, today they can prove it. Americans want us to show we are serious about lowering the debt. Senators will have that opportunity later today.

So I ask my colleagues on both sides to join with me today and vote in favor of the Thune amendment.

Madam President, I yield the floor.

#### RESERVATION OF LEADER TIME

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

#### MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period of morning business until 10 a.m., with Senators permitted to speak for up to 10 minutes each, with the majority controlling the first half and the Republicans controlling the final half.

The Senator from New Jersey.

Mr. MENENDEZ. Madam President, I ask unanimous consent that the time under the control of the majority be equally divided between myself, Senator SHAHEEN, and Senator NELSON of Florida.

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

The Senator from New Hampshire.

#### UNANIMOUS-CONSENT REQUEST— S. 3462

Mrs. SHAHEEN. Madam President, I rise today to ask that my legislation, S. 3462, which would grant subpoena power to the Presidential commission tasked with investigating the BP oilspill, be passed by unanimous consent.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. INHOFE. Reserving the right to object, Madam President, I think I will object at this time. The bill was just introduced 7 business days ago. It has been referred to the Judiciary Committee, where I assume Chairman LEAHY will take a thoughtful look at it. Senator REID has asked his committee chairmen to report out oilspill legislation by the 4th of July for consideration next month, so I think we should give that process an opportunity to work. So I do object.

The ACTING PRESIDENT pro tempore. Objection is heard.

The Senator from New Hampshire.

Mrs. SHAHEEN. Madam President, I don't understand. We are 58 days into this oilspill. Eleven lives have been lost. We have seen up to 97 million gal-

lons of oil in the Gulf of Mexico that is already on the shores of the gulf. We have thousands of wildlife covered in oil, many of them dead. We have fishermen who have lost their livelihoods, some, we guess, maybe for generations. We have countless hotels and restaurants that are empty during what should be their prime tourist season. I don't understand why, given all of this—the full devastation of this catastrophic spill is far from being known, although we know it is going to be one of the worst economic and environmental disasters in American history, and we need to make absolutely certain this never happens again—why people are still objecting to giving the bipartisan commission charged with investigating this disaster the subpoena power to do what they need to do to make sure this never happens again.

In order to have a full and fruitful investigation, this commission must have subpoena power to get to the bottom of what safety precautions BP did and did not take leading up to the Deepwater Horizon explosion. Subpoena power is essential to their task of making meaningful recommendations on how to prevent future disasters. That is why I, along with 18 other Senators, have introduced this legislation to grant subpoena power to this commission. It is unacceptable for BP and the other companies responsible for this oilspill to continue to stonewall the American people.

I don't understand why my colleagues on the other side of the aisle are objecting to this. I would assume they are as interested in getting to the bottom of this disaster as the rest of us are, and this stonewalling is something I just don't understand.

I yield the floor.

Mr. INHOFE. Madam President, let me respond to the Senator from New Hampshire.

The ACTING PRESIDENT pro tempore. The Senator does not have control of the time at this moment.

Mr. INHOFE. I was just reassuring her. I think I agree with everything she said. Mine was the process we are talking about, and I think that is the process the majority leader was recommending.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey.

Mr. MENENDEZ. Could the Presiding Officer tell me how much time remains for the majority side?

The ACTING PRESIDENT pro tempore. There are 6 minutes 20 seconds remaining.

Mr. MENENDEZ. Would the Presiding Officer let me know when I have exhausted 2 of my 3 minutes?

The ACTING PRESIDENT pro tempore. Yes.

Mr. MENENDEZ. Madam President, I rise once again to ask unanimous consent—and I will do so shortly—to hold oil companies accountable for their spills. This is really a sense of who is on your side. Are we going to take the side of big oil or are we going to take

the side of commercial fishermen? Are we going to take the side of big oil or are we going to take the side of shrimp fishermen? Are we going to take the side of big oil or are we going to take the side of preserving the estuaries that are so critical yet that we see increasingly devastated, the wildlife, with consequences to those ecosystems that may very well affect a generation? Are we going to take a side with big oil or are we going to stand up for the tourism industry that is affected? Are we going to stand up for big oil or are we going to stand with the boater who ultimately sees his boat languishing in the waters because he cannot go out because there is no one to take out on a commercial venture? Are we going to stand up for the communities and the coasts along the gulf shore or are we going to stand with big oil?

That is what this effort is all about. It is about setting responsibility where responsibility should lie. I applaud that the President got BP to sign up to \$20 billion over the next 4 years or so. But that does not mean we should not be lifting the liability cap, a liability cap that is ridiculously low at \$75 million total when BP, for example, makes over \$90 million a day. So their liability under the law, regardless of what they say, is less than 1 day's profit.

The ACTING PRESIDENT pro tempore. The Senator has used 2 minutes.

Mr. MENENDEZ. This is about making sure at the end of the day we stand up to big oil. I know there are those who suggest—my colleague from Louisiana has suggested he has a better way. The problem is his better way is constitutionally infirm. That has been reviewed by the Congressional Research Service which says that trying to enact legislation that effectively declares the guilt or imposes punishment on an identifiable individual or entity is in essence a bill of attainder under the Constitution; therefore, it cannot work. I have heard him say I don't want to come here and make a speech, I want to solve something. That is exactly the problem. That does not solve anything because it is constitutionally infirm, therefore it would not apply, therefore we would not have a success. Besides, if it is good enough for this incident, it is good enough for any other.

Understanding that, I want to ensure we stand on the side with all of those commercial interests, so I ask unanimous consent—I take a final 30 seconds—I ask unanimous consent that the Environment and Public Works Committee be discharged of S. 3472, the Big Oil Bailout Prevention Unlimited Liability Act of 2010, and that the Senate proceed to its consideration; that the bill be read three times, passed, the motion to reconsider be laid upon the table, without intervening action or debate.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. INHOFE. Reserving the right to object, this S. 3472, this is one with no caps?

Mr. MENENDEZ. This is unlimited liability.

Mr. INHOFE. Unlimited liability. Madam President, we have talked about this before. It sounds good to talk about big oil. This would be the greatest thing for big oil. Only the big five might—

The ACTING PRESIDENT pro tempore. The time of the Senator from New Jersey has expired. Is there an objection?

Mr. INHOFE. I object.

Now I wish to be recognized to explain my objection.

The ACTING PRESIDENT pro tempore. There are 2 minutes remaining on the majority's time that the Senator from Florida intends to use.

The Senator from Florida.

Mr. NELSON of Florida. Madam President, the oil is relentlessly moving east in the Gulf of Mexico. A week and a half ago it hit Perdido Pass. That is in Perdido Bay. A week ago it hit Pensacola Pass. It is in Pensacola Bay. You ought to see what it looks like. There are tar balls. We know what tar balls look like. You ought to see what the reddish brown gunk looks like that I saw on Monday as the wind was blowing it right toward downtown Pensacola.

Today, Destin Pass, further to the east, is being closed. But when it is closed by a boom it will not stop the oil if the oil is not already skimmed off out in the gulf because the tar balls will go right underneath the boom and the tides come rushing into the pass at 6 to 8 knots, and a boom will not stop the oil.

This is what we are facing. We are facing the economic devastation as a result of the despoiling of the coast that relies, so much of its economy, on that coast being pristine—whether it is tourism, whether it is fishing, whether it is oyster, shrimp, et cetera.

Why shouldn't the company—now that precedent has been set yesterday by them setting up a \$20 billion trust fund, but that is not a limit. Why should we not—has my time expired?

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. NELSON of Florida. If I may finish the sentence—why should we not allow any kind of future devastation by a company to have the same liability?

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. INHOFE. First, I do not disagree with anything that was said by my very good friend from Florida. It is a devastating thing. I have no love for BP. I assure you they are not any friends of this side over here. I only have to say this. If you want to shut out everyone from their exploration, it doesn't make any difference whether it is deep water or otherwise, you go ahead and do something like this. This would only help the big five or the national oil companies—that is China and Venezuela. Without a cap they would be the only ones who could explore out

there. Frankly, they don't have the capacity to do the amount of exploration that is going to be necessary to run this machine called America.

Right now there is a commission that is taking place. I believe they are going to be discussing all these things, including what types of caps, if any, should go on. They are the ones who are approaching this thing, considering everything. I think they should have time to do their own work. That is the reason. But I do not disagree with anything either one of the Senators said.

I yield the remainder of my time to the Senator from Nebraska.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. JOHANNIS. Madam President, may I inquire how much time remains?

The ACTING PRESIDENT pro tempore. Eight minutes.

Mr. JOHANNIS. If I could be forewarned when there is a minute remaining?

The ACTING PRESIDENT pro tempore. Yes.

#### INCREASING EXPORTS

Mr. JOHANNIS. Madam President, I rise today to discuss an issue I believe is of significant importance to our Nation's economy. There has been a lot of talk lately about the whole idea of increasing exports. I—like, I guess, every other Member of this body—support the goal of expanding exports. Increasing exports means companies will sell more of their goods and services into more markets around the world. A number of those companies, I might add, are found in rural communities, found in States such as Nebraska. I was sitting there when President Obama, in his State of the Union Address, set a goal. He said: I want to double exports in the next 5 years.

Since then, the administration has pushed its National Export Initiative, which appears to be about increasing spending and the size of government. But a more sensible course of action would truly be to increase exports—sell more. I am talking about free trade agreements. The previous administration negotiated a number of trade agreements, but there are three pending from the previous administration: Colombia, South Korea, and Panama. Unfortunately, these agreements have been languishing since they were first agreed to—now around 3 years ago.

The current administration briefly seemed to be on the right track when the President stated his goal of strengthening trade with Colombia, South Korea, and Panama, again in the State of the Union Address. I was pleased to hear that. The President hit the right tone there. I must admit, though, up to that point, the administration's trade policy was enormously unclear to me, and I guarantee it was to everybody else.

I thought that finally we had a trade policy. But, unfortunately, since that speech there has been no action. So I

have to ask, What is the holdup? I do not know how you can claim your goal is to double exports and then not take the action on pending trade agreements which provide the very direct, ready-made way to move us forward. Each one of these agreements lowers tariffs on America's goods and services. I will tell you from a lot of experience, that is the quickest way to increase exports. With U.S. unemployment now hovering around 10 percent, we should be focused like a laser beam on helping businesses grow and create jobs. Enacting the pending trade agreements will help us get there.

The U.S. Chamber of Commerce estimates that these agreements could bolster our economy by \$40 billion. Conversely, if the United States fails to implement the agreements with Colombia and Korea, the chamber estimates that more than 380,000 U.S. jobs will be lost or displaced.

The trade agreements were negotiated nearly 3 years ago. Yet they have not come to the Congress. While we fail to act, our global competitors are locking up these marketplaces. Several nations are negotiating or finalizing negotiations with the same three countries. Yet our agreements with those same countries are signed and sealed and ready for a vote. Our competitors are, very simply, gaining an advantage over our producers, our exporters, our employees, and they are laughing all the way to the bank. Now we even have representatives from those countries saying they are ready to move forward without us.

Earlier this week a respected publication, the Des Moines Register, quoted the Minister of Economic Affairs at the South Korean Embassy as saying this:

The U.S. runs the risk of losing the Korean market within a decade if you can't get a free trade agreement ratified.

Furthermore, the article reported that South Korea is likely to complete a free trade agreement with the European Union by January. So we are not just at risk of losing the opportunity to increase exports. If other countries keep negotiating trade agreements while this great Nation sits on its hands, we are going to lose the market share we have today.

I suspect this is just the beginning. These countries are not going to wait around forever while we twiddle our thumbs and hope that throwing money at a few government agencies and hiring more government employees will somehow increase exports.

Each nation we have sat down with, we have negotiated, we have found common ground and reached agreement. Now it is time for the final step. The step is to vote on the agreements.

Think of the big picture. Roughly 95 percent of the world's consumers live outside the United States. The global marketplace is asking for us to go and do business there. It is important to agriculture, but it is also important to our entire economy. You see, in agri-

culture, exports account for over 25 percent of total ag sales. We like to say that every third row of crops is sold into the international marketplace. In fact, agriculture is one of the few areas where the United States has had a net trade surplus in recent years.

These agreements are necessary for agriculture, for farmers and ranchers. They are good for small businesses in my State and across the country. As Secretary of Agriculture, I traveled the world helping to negotiate trade deals. I have seen the positive results for exporters. I have seen firsthand the importance of these pending agreements. Each one would level the playing field for America's farmers and ranchers and companies, creating jobs, helping to reinvigorate our economy. If we are going to meet this goal of doubling exports, we have to do more than give a speech. We have to take these agreements and put them into the equation and get a vote on that.

Consider this: American producers are currently forced to pay substantial tariffs on their exports to Colombia, to South Korea, to Panama. These agreements would wipe out most if not all of those tariffs. Roughly \$2.8 billion in tariffs on American exports has been paid to Colombia alone since the Colombian agreement was signed in November of 2006.

That is \$2.8 billion that could have stayed in the United States to hire new workers. Most Americans probably assume Colombian exporters pay the identical U.S. tariffs, but that is not the reality.

Colombian producers do not pay a nickel on 90 percent of the products they sell in the United States. The Colombian Free Trade Agreement would allow American producers to compete on a level playing field.

The ACTING PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. JOHANNES. In South Korea, it is the same story. And I could go on and on through each agreement and show that what they are about is bringing tariffs down for our products that we are paying today.

Well, I have given this speech now I think twice on the floor of the Senate and a number of times as I have been out and talked to people across this country. I hope this is the last time I need to come here to advocate just to give us a vote. My hope is the administration will send these agreements to the Congress for action.

I yield the floor.

#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

#### AMERICAN JOBS AND CLOSING TAX LOOPHOLES ACT OF 2010

The ACTING PRESIDENT pro tempore. Under the previous order, the

Senate will resume consideration of the House message to accompany H.R. 4213, which the clerk will report.

The legislative clerk read as follows:

Motion to concur in the House amendment to the Senate amendment with an amendment to H.R. 4213, an act to amend the Internal Revenue Code of 1986, to extend certain expiring provisions, and for other purposes.

Pending:

Baucus motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Baucus Amendment No. 4369 (to the amendment of the House to the amendment of the Senate to the bill), in the nature of a substitute.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Madam President, once again, we are here today to try to help create jobs. That is what the underlying bill and substitute amendment are all about.

But the Thune amendment would move in the wrong direction. Instead of helping to create jobs, the Thune amendment would probably cost jobs.

The Thune amendment would reduce aggregate demand in the economy by more than \$50 billion. Instead of continuing the good that the Recovery Act has done, the Thune amendment would stop it in its tracks.

The Thune amendment would, among other things, cancel unspent and unallocated mandatory spending in the Recovery Act.

The Recovery Act is working.

This is what the nonpartisan Congressional Budget Office said in its most recent report:

CBO estimates that in the first quarter of calendar year 2010, [the Recovery Act's] policies:

Raised the level of real . . . gross domestic product . . . by between 1.7 percent and 4.2 percent;

Lowered the unemployment rate by between 0.7 percentage points and 1.5 percentage points;

Increased the number of people employed by between 1.2 million and 2.8 million; and

Increased the number of full-time-equivalent jobs by 1.8 million to 4.1 million compared with what those amounts would have been otherwise.

And the Congressional Budget Office projects that the Recovery Act will continue to create jobs. CBO projects that the Recovery Act will create the most jobs in the third quarter of this year. And then it will begin to taper off.

We should not cut that job creation off. In this fragile economy, the last thing that we should want to do is to cut back this proven job creator.

We passed the Recovery Act to give a needed boost to our economy. We designed the bill to work over 2 years. If we were to withdraw these critical funds, we would risk causing further damage to a fragile economy.

The Thune amendment would also cut other important spending programs.

The Thune substitute amendment would cut discretionary spending by 5 percent across the board for all agencies, except for the Department of Veterans Affairs and the Department of Defense.

This 5 percent cut would apply to the Department of Homeland Security. It would apply to Immigration and Customs Enforcement. Apparently, it would apply to the intelligence agencies.

The Thune substitute amendment would freeze the salaries of all Federal employees, except for members of the Armed Forces.

It would freeze the salaries of civilian defense workers. It would freeze the salaries of law enforcement. It would freeze the salaries of border protection agents.

Another provision would cap the total number of federal employees at current levels. If an agency needed to hire a new employee, it would first need to fire an existing employee. That is not how to create jobs. This would dramatically reduce the flexibility of agencies to make hiring decisions.

I support finding ways to make our government more efficient. But these cuts are arbitrary. They are mindless meat-ax cuts.

The Thune amendment would also make changes to the new health care law. These changes would leave more Americans without health insurance. The Thune amendment would do this by expanding the affordability exception to the responsibility for individuals to buy health insurance.

This expansion would eliminate coverage for millions of Americans. And CBO tells us that this would raise health care premiums.

The irony of this proposal is that it raises money for the government because the government would not provide as much in tax credits to Americans to help them buy insurance.

But Congress has just enacted health care reform. Congress just expressed our Nation's commitment to helping all Americans to buy health insurance. We should let the new health care law take effect.

The Thune amendment would also propose changes to our medical malpractice system that the Senate has rejected many times.

The Thune amendment would cap damages and make other changes to State laws. This is the not the solution to medical malpractice.

The Congressional Budget Office has said that these kinds of ideas would generate savings. But we need to ask: At what cost?

What would be the cost to patients? What would be the cost to the States?

CBO relied on outside studies in calculating its cost estimate. And those same studies point out that certain tort reform policies may also increase the number of risky procedures performed. And these policies may lead to more patient injuries and more patient deaths.

One study upon which CBO relied said that these policies would lead to a 0.2-percent increase in mortality. These policies in the Thune amendment could lead to more patient deaths.

That is an awfully high price to pay.

Our Nation's civil liability system has always been forged at the State level. Nationalizing that system with damage caps would put patients at risk.

The Thune amendment employs some of the offsets that it does because it drops the oil spill liability tax. And the Thune amendment employs some of the offsets that it does because it drops the tax loophole closers in the underlying substitute amendment.

The Thune amendment thus would allow big oil companies to pay less into the oil spill liability trust fund, to pay for oil spills.

The Thune amendment thus would allow investment managers to continue to pay lower capital gains tax rates on their service income than other Americans do on their wages.

The Thune amendment thus would allow some professionals who organize as S corporations to avoid paying their fair share of Social Security and Medicare payroll taxes.

And the Thune amendment thus would allow multinational corporations to continue accounting dodges to avoid paying their fair share of taxes here in America.

These decisions reflected in the Thune amendment are bad tax policy. These decisions preserve unfairness and inequity in the tax law.

And so, the Thune amendment would put the recovery at risk by curtailing the Recovery Act. It would cut the number of Americans with health insurance and raise premiums. It would nationalize medical malpractice law, putting patients at risk. And it would protect big oil and multinational corporations that ship their jobs overseas.

I urge my colleagues to oppose the Thune amendment.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

AMENDMENT NO. 4376 TO AMENDMENT NO. 4369

Mr. THUNE. Madam President, as provided for in the order, I now call up my amendment.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from South Dakota [Mr. THUNE] proposes an amendment numbered 4376 to amendment No. 4369.

Mr. THUNE. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. THUNE. Madam President, this amendment is, in my view, probably the most important thing that we can do for the economy right now. The Senator from Montana talked about job creation. Everybody in this Chamber cares about that. I think Democrats and Republicans alike believe we have to create jobs in our economy. We need to get economic growth going again.

I think we have a fundamental difference about how best to do that, and what my amendment would do is address what I think are the two biggest problems we face—the sort of clouds, if you will, hanging over the economy in this country. One is debt. We have this spiraling Federal debt which is set to double in 5 years and triple in 10 years on the current path under the budget that has been proposed by the President.

If we include the debt that government agencies owe each other—in other words, intergovernmental debt—add that to the public debt, right now we are in debt \$13 trillion. That is the total amount of debt we have today. That is going to balloon in the next 5 years and the next 10 years. The budget window we use to do our budgeting around here suggests it is going to be much higher than that.

So I think what the American people are saying, at least what I believe the American people are saying—and I think we have probably different interpretations of that, but what I believe the American people are saying and what I see in poll after poll after poll is people are concerned about the cloud this growing public debt imposes on our economy and the burden it places on future generations. They are also profoundly concerned about their jobs and about their economy. They want Congress to take steps that will help grow the economy and create jobs.

The best way to do that is for the government to get out of the way, so to speak, and incentivize small businesses to do what they do best; that is, create jobs. It is the small businesses in our economy that are the economic engine. They are job creators. We should not be imposing more burdens on them. We should try and keep taxes low. We should try and keep regulations and keep from imposing new governmental burdens on our small business sector and our economy.

So we have a piece of legislation before us today in which I think both sides, Republicans and Democrats, agree we need to do something to address unemployment insurance and extending the benefits of those who have lost their jobs in the recession.

We need to address the issue of physician reimbursement cuts which will occur if Congress does not take steps to address that. Of course, we need to extend the expiring tax provisions that many of us support—for example, the tax credit for investment in research and development, which is one of the things companies use to keep us more competitive. Those are all things that have expired, are expiring. Those are issues that need to be addressed. I think both of us agree on that.

The question becomes, What is the best remedy, how best do we do that? What the Democratic majority has proposed is a solution which, at the end—and I think this is even under the best-case scenario, which I do not believe we have a CBO score on yet—but the more

recent version of their piece of legislation would still add about \$50 billion to the debt. So it would increase the amount of debt I just mentioned earlier. It does raise taxes. It raises taxes on small business. It raises taxes on investment.

It puts more taxes on oil companies by raising taxes that would go into the Oil Spill Liability Trust Fund. And, of course, because my amendment does not include that tax increase, somehow we are painted as being in defense of big oil. Well, let me point out one thing about that—this was true in health care; it has been true with many things that have happened here on the floor—and that is, it would be one thing if the revenues raised by increasing the tax from 8 cents to 49 cents per barrel of oil were actually going to be used to clean up oil spills. It is stated to go into the trust fund, the Oil Spill Liability Trust Fund, but it will be used to fund other things. So, again, you get this double-counting. You get this practice we have seen employed here by the majority on a number of occasions where you are raising revenue that is supposedly for a specific purpose, the proceeds of which are going to be used for something entirely different. That, of course, is coupled with the fact that the tax, as we all know, is going to be passed on to the American consumers. So the American consumers are going to be burdened with higher taxes. At the same time, the other side can say: We are being tough on big oil. We are going to stick them with this big new tax. Ironically, it is not going to go to clean up oil spills; it is going to go to fund these things we are talking about funding here.

We have a better way. We can reduce government spending and do this. We can actually extend these expiring tax provisions by reducing taxes by about \$26 billion under my amendment. We can cut spending by over \$100 billion under my amendment. And we can actually make some progress toward reducing the Federal debt. We have about \$68 billion, under my amendment, that can be used to pay down the Federal debt. So we reduce the debt, we cut taxes, we extend unemployment benefits, we address the physician reimbursement issue—and by the way, my amendment addresses that through the end of the year 2012. The amendment now offered by the Democratic majority extends it to the end of this year. So if you are a physician out there who is looking for some certainty and looking for something that is a long-term solution to this issue of cuts in reimbursement, then you get, under my amendment, an extension to the end of the year 2012. Under the Democratic majority option here today, you get something that extends it only until the end of this year. So you can do all those things and still cut the debt, cut taxes, and reduce Federal spending. So what we are offering is a different way.

It seems to me, when you are sitting on a \$13 trillion debt and you are grow-

ing your debt at \$1.5 trillion every year, which is what is happening—the deficit this year is going to be about \$1.5 trillion. That is what it was last year. We are looking at trillion-dollar deficits as far as the eye can see, to the point where the interest on the debt at the end of the 10-year period we use for budgeting purposes in the Senate will exceed the amount we spend on defense. We will spend more on interest on the debt than we spend on national security in this country if we continue down this path. In fact, we will spend, at the end of the 10 years, 4.1 percent of our entire economy—our entire gross domestic product—on interest on the debt.

Madam President, \$13 trillion in debt—the other day, I tried to put that in perspective so people can appreciate and understand it because I think sometimes it is hard for most of us, myself included, to wrap our heads around \$1 trillion. It sounds like a lot in the abstract. But to try to put it into a perspective that perhaps we can understand, I used the analogy of, what is 1 trillion seconds? If you took 1 trillion seconds, what would that mean in terms of total number of years? Well, 1 trillion seconds represents 31,746 years. If you took 13 trillion seconds—which is what the debt now represents, the total debt our country owes—you are looking at over 412,000 years, if a dollar equals a second. So 1 trillion seconds: 31,746. Madam President, \$13 trillion is what our total debt consists of today. Again, you are looking at over 412,000 years. I think that speaks to why we need to get the debt and the spending here under control.

Interestingly enough, a while back here in the Senate, to much fanfare, the majority passed pay-go rules. The assumption would be that somehow going forward new spending would be paid for and reductions in tax revenues would be offset somehow by increases in tax revenues and all that.

Well, since that time, since the passage of pay-go, the Senate has already approved well over \$100 billion in new spending, not paid for that is added to the debt. If this legislation is enacted, that number will approach \$200 billion since we passed pay-go—the much-touted, with much fanfare, as I said, solution that was going to solve the fiscal woes of our country and suggest a different way of doing things in the Congress.

Well, anything but that has happened. On the contrary, every time we have had a major piece of legislation, pay-go has been waived. We waive it. We declare everything an emergency. Now everything is an emergency and nothing gets paid for, and the debt continues to grow, and the debt-o-meter, the spend-o-meter around here continues to spin faster and faster and faster, and the credit card is handed to future generations who are going to have to deal with our inability to live within our means.

So the alternative we offer to the legislation before the Senate today that is

being put forward by the Democratic majority is, as I said, very simple and very straightforward. It does a number of things. It does all the things we need to do in terms of extension of unemployment insurance, of the physician fee—making sure that cut does not occur, that the physician reimbursement issue is addressed, as I said, through the end of the year 2012—as well as extending these expiring tax provisions that are very important to our economy and to our economic growth.

But we do that in a different way. We take \$37.5 billion of the \$50 billion in unobligated stimulus funds and use those funds to extend existing tax and benefit provisions. We cut money from the government by reducing congressional budgets. I think it is fair that when the American family, the American business community, and people across this country are making hard decisions about their own personal budgets—their family budgets, their business budgets—having to figure out where they are going to cut back, the least we in Congress can do is to scrub our budgets and figure out what we can do to reduce spending.

So we cut money from the government by reducing congressional budgets. We rescind unspent Federal funds. There are lots of appropriated moneys out there that do not get spent that revert back or get spent later. What this amendment simply says is, if moneys that have been appropriated have not been spent, then let's use that money to pay down the Federal debt. Let's do these things we need to do here, and then let's make sure we are not continuing to spend and spend and spend, particularly dollars that are not needed. It requires the government to sell unused lands and to auction off unused equipment.

It also imposes a 1-year freeze on the salaries of Federal employees and eliminates their bonuses and caps the total number of Federal employees at current levels. I have a modification that would amend this legislation because there has been a concern raised that it would mean nobody could get a raise, even those who deserve it. What the modification would do is allow Federal agencies and managers flexibility to determine how they are going to work within their personnel budgets to provide, perhaps, raises for those who have been deserving. But, overall, their top-line number would be frozen. So it is not as if no Federal employee ever would have to go without any kind of a raise. But we think it is important that the Federal Government go on a diet, just as the family budget is having to do right now as well. We also collect \$3 billion in unpaid taxes from Federal employees.

We encourage responsibility and prioritizing within the Federal budget by requiring a 5-percent across-the-board discretionary spending cut for all agencies, except at the VA and the Department of Defense.

Again, there has been a lot of suggestion that somehow this is going to wreck the economy and force—as I saw some things out yesterday—that this is going to force a government shutdown. What this amounts to is a 2-percent reduction through the end of this fiscal year, which is September 30. I do not think, out of a \$652 billion budget, that if you are a good manager at these Federal agencies, you could not find 2 percent to shave in order to achieve the savings we need to pay for this legislation. It encourages responsibility and prioritizing as well by saving \$5 billion in eliminating what is nonessential government travel. And it eliminates bonuses for poor-performing government contractors.

Finally, it does create a new deficit reduction trust fund where rescinded balances and moneys saved through this amendment will be deposited for the purposes of paying down the Federal debt.

Now, I said this the other day, and I will say this again: I think this ought to be a no-brainer for us here. Irrespective of which side of the political aisle you are on, you undoubtedly are hearing from constituents across this country who are very concerned about the amounts of spending, the amounts of debt, who are concerned about increasing taxes, particularly businesses. We hear a lot about investment frozen on the sidelines because investors are concerned about the uncertainty that exists out there with regard to taxes and what they are going to do in the future.

Clearly, this bill, as I said earlier, raises taxes. It raises taxes by about \$50 billion in the current version of it. What we would do is reduce the tax burden by extending these expiring tax provisions but do it in a way that does not require new taxes on investment, new taxes on small businesses, new taxes on our economy at a time when we can least afford it, when we ought to be looking at ways to keep taxes low and to make sure we are doing everything possible to lessen the burden on our small businesses, those job creators in our economy.

One of the things that was mentioned, and we do in our legislation, is we do address one of the issues with regard to health care. I think the Senator from Montana characterized that lowering the affordability threshold for the individual mandate will strike at the heart of health care reform.

Well, first off, let me just point out that this amendment was taken directly from an amendment that was filed by Senator SCHUMER during the Finance Committee markup of the health care reform bill. I do not think his intention was to strike at the heart of health care reform. I thought the heart of health care reform was to make sure people have access to affordable coverage. I do not think that was Senator SCHUMER's intent. I think he was thinking we ought to make sure low-income people were not forced to buy unaffordable coverage simply be-

cause of health care reform and because they needed a way to finance health care reform.

This amendment would make sure individuals and families are not subject to an intrusive and burdensome new Federal mandate if they cannot afford health insurance. So it is a fairly straightforward modification to the health care legislation which takes away some of the burden that is imposed on people at lower income levels. In fact, it makes a lot of sense to me. If you look at the current health care bill, under that bill low-income individuals—those under 300 percent of the Federal poverty level—are slated to pay about \$1 billion in mandate penalties.

Now, the suggestion was that somehow, if we make this change, insurance premiums are going to go up. Well, I am telling you something. We tried to make this point many times during the course of the debate on health care reform. Insurance premiums are going up. In fact, PricewaterhouseCoopers predicted this week that health care costs are going to continue to rise at an unsustainable rate—next year by about 9 percent. So it is already clear that health care reform is not going to live up to many of its promises. It is going to continue to raise premiums for most Americans. And that has a lot more to do with the health care reform, the substance of that, than anything else. It does not have anything to do with what we are trying to accomplish here by, as I said, reducing the impact of the individual mandate on low-income individuals in this country.

So these are all fairly straightforward reforms. We do touch medical malpractice reform. We think that is something that should have been a part of health care reform and was not that would help reduce health care costs for people in this country and achieve some savings we can use to, again, help pay down the Federal debt, help address the concerns we need to address with this legislation.

But bottom line, as I said earlier, what we are looking at here is a very clear choice for U.S. Senators. U.S. Senators can choose to solve the problem before us in one of two ways. The first way is through \$50 billion in tax increases, \$50 billion in additional debt, and over \$100 billion in additional spending—or about \$100 billion in additional spending. The alternative I offer cuts taxes by \$26 billion, reduces spending by \$100 billion, and cuts the Federal debt, reduces the Federal debt by \$68 billion, according to the Congressional Budget Office.

In my view, as I said at the beginning of my remarks, there is nothing more important to our economy than dealing with this cloud of debt, this huge burden that hangs over our economy of out-of-control Federal spending, out-of-control Federal debt, deficits that are over \$1 trillion or at \$1 trillion as far as the eye can see, the concern about tax increases on our economy

and how those would impact our small businesses and their ability to create jobs. So this legislation, again, deals with the issue of the debt, deals with the issue of taxes, deals with the issue of spending, and accomplishes all of the underlying objectives we all have of extending unemployment benefits, of dealing with these expiring tax provisions, and dealing with the impending reduction in physician reimbursements.

So with that introduction, I reserve the remainder of my time. I think we have other speakers who want to come down, and I look forward to hearing from them as well.

Mr. BAUCUS. Madam President, I might ask if the Senator from New Hampshire wishes to speak.

Mr. GREGG. Madam President, I appreciate the chairman's request. I wish to speak for 5 minutes in support of the Thune amendment.

Mr. BAUCUS. Sure.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

Mr. GREGG. Madam President, I rise to congratulate the Senator from South Dakota for his amendment. This is a responsible way to approach this issue.

The amendment to the bill that is before us, offered by the Democratic leadership, adds \$50 billion to the deficit; that is \$50 billion to the debt. That is \$50 billion our kids have to pay so we can spend money today on politically attractive things. On top of that, the bill, as proposed, has some onerous tax policy in it which will significantly contract economic activity in this country by taxing people at ordinary income for activity which has historically been taxed at a capital gains rate, thus forcing people to be less incentivized to go out there and be productive and create jobs. It is poor tax policy.

So the Senator from South Dakota has come up with a proposal, which is the way we should be governing now, which is to pay today for the things we want to spend on today. We are facing a \$1.4 trillion deficit—\$1.4 trillion—this year. Next year, we are facing an equally large deficit. Under the President's budget and the budget of the Democratic leadership, we are talking a \$1 trillion deficit for as far as the eye can see. The debt of this country is going to double in 5 years under the President's and the Democratic budget—double. It is going to triple in 10 years. A child born at the beginning of the Obama administration arrived in our Nation with an \$89,000 debt—\$89,000. By the time my colleagues on the other side of the aisle get finished, should the President be reelected, under the terms of his budget that child is going to have a \$200,000 debt to pay. Why? Because we keep getting bills like this: \$50 billion here, \$100 billion here, \$25 billion here; money being spent without being paid for and, therefore, being added to the deficit



and to the debt. It is totally wrong. It is unfair. It is unfair that one generation should do this to another generation, and it is certainly not responsible government.

We had a big debate in this Chamber about 2 months ago now about how responsible the other side of the aisle was going to be on spending. They called it pay-go. It should have been called fraud-go because as a very practical matter, that is what it has become. This bill games the pay-go rules of the Democratic leadership to the tune of \$50 billion by declaring it an emergency on items that are not emergencies, that we know exist and that have been spent on now for quite a while. Since that bill was passed, that pay-go bill, which allegedly was going to require this Congress to pay for all the money it was going to spend, the other side of the aisle has brought forward, or is in the process of bringing forward, \$200 billion of spending which is not paid for—\$200 billion in spending which will be added to the deficit and to the debt. That is totally irresponsible.

So the Senator from South Dakota has it right, as he so often does. He has said: Let's do this responsibly. If we are going to spend this money, if we are going to put forward these extenders, if we are going to spend this money on these different social initiatives, let's pay for them because they benefit us today and we shouldn't pass the bill for them on to our children tomorrow, next year, and 10 years from now. This is responsible budgeting.

I congratulate the Senator from South Dakota, and I look forward with enthusiasm to finally voting for a bill around here that is paid for, which is what we should be doing every day instead of spending money we don't have and passing those bills on to our kids.

I yield the floor.

Mr. THUNE. Madam President, could I inquire how much time we have on our side.

The ACTING PRESIDENT pro tempore. There are 35½ minutes remaining.

Mr. THUNE. I ask unanimous consent to add as cosponsors of this amendment Senators MCCONNELL, MCCAIN, ISAKSON, BOND, ENZI, CORNYN, BARRASSO, ROBERTS, COBURN, CHAMBLISS, SCOTT BROWN, and JUDD GREGG.

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

Mr. THUNE. Madam President, I yield 10 minutes to the Senator from Arizona.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. MCCAIN. Madam President, I am pleased to be here to cosponsor and support my friend from South Dakota, Senator THUNE, on this amendment. As the Senator from New Hampshire just stated, isn't it time we stopped burdening our children and our grandchildren with massive debt?

Our office is being flooded with calls concerning the extension of unemployment benefits. We want to extend the unemployment benefits under this amendment until November, but we want to pay for it. We want to do something groundbreaking around here that hasn't happened in a long time: We want to pay for it. We want to pay for the expiring unemployment provisions until November. We want to extend the expired tax provisions, including a tax credit for research and experimentation, and the State and local sales tax deduction through the end of the year. We want to drop the tax increases, drop the \$4 billion extension of Build America bonds, and drop the \$24 billion in State Medicaid bailouts. We want to fully pay for this with spending cuts. The amendment does provide relief for the doctors by adding an additional 2 years to the doc fix and reforming our broken and onerous medical malpractice system.

Let me point out that day after day during the ObamaCare debate we came to the floor and said: You are using phony assumptions as to assessments of the entire cost of ObamaCare, and part of that was the "doc fix" which wasn't going to happen, which was going to cut Medicare payments to physicians by some 21 percent. We said every time: You are not going to do this. You are not going to cut physician payments by some 21 percent for doctors who provide care for Medicare enrollees. Over on the other side, they even admitted it. So now we have to do the doc fix. We have to make sure doctors who treat Medicare patients are adequately reimbursed; otherwise, they will stop treating Medicare patients.

So it is kind of hypocritical for us to be blamed for the delay in the "doc fix" when that was the assumption—that was the assumption, that there would be a 21-percent cut in the selling of ObamaCare to the American people.

This amendment saves the taxpayers \$113 billion in unnecessary spending. It rescinds \$38 billion in the unobligated spending of stimulus funds. It cuts wasteful and unnecessary government spending. It collects the unpaid taxes of Federal employees. It freezes their salaries and caps their numbers. It imposes a 5-percent, across-the-board cut in government spending for all agencies except the VA and the DOD, and it creates a new deficit reduction trust fund where rescinded balances and monies saved through this amendment will be deposited for the purposes of paying down the Federal debt.

Now, regarding the 5-percent across-the-board cut in government spending for all agencies except Veterans and Department of Defense, do Americans know the size of government has doubled since 1999; that the cost of government has spiraled out of control? A 5-percent cut would be minuscule as compared to the dramatic increases we have imposed—yes, during the previous administration, as well as this administration—including a \$1 trillion un-

paid-for Medicare Part D prescription drug program.

So this amendment cuts taxes, it cuts spending, and it reduces the deficit. The deficit has now spiraled so far out of control that there is no rational economist who believes this is sustainable without some kind of profound financial crisis. Now we are up to a projection of a \$16 trillion deficit by the end of the next decade. We are amassing as far as the eye can see—I think now it is up to \$1.6 trillion—debt just for this year alone that we are laying on our children and our grandchildren.

As I have said several times on this floor, there is a revolution going on out there. It is a peaceful revolution. It has been derided by the liberal left and many in the media. But the fact is, they are angry and they have every right to be angry. They have every right. The greatness of America is that every generation has passed on to the following generation a better Nation than the one we inherited. With this overwhelming burden of debt and deficit in the name of economic stimulus, in the name of job creation—which, obviously, has not met the predictions at the time of the passage of the stimulus package—have turned out to be totally false.

So here we are. We are in a situation where we have an opportunity to extend the expiring unemployment provisions, extend the expired tax provisions, including an important tax credit for research and development. It drops things such as Build America bonds. Build America bonds. Please. Right now, that is just an additional \$4 billion. We are going to cut spending, and we will provide relief for doctors by adding an additional 2 years for the doc fix.

Obviously, that fix needs to be enacted. I am in support of that. But isn't it a little bit of a hypocrisy to come to the floor and say we have to get this done, we have to have the doc fix, when all during the debate on so-called health care reform, the 21-percent cut for Medicare patients was part of our selling the American people that the cost of ObamaCare would be less than \$1 trillion? Isn't that a little hypocritical?

I wish to quote from the New York Times recently:

If the economists are divided about what just happened, the rest of the world is not divided about what should come next. Voters, business leaders and political leaders do not seem to think that the stimulus was such a smashing success that we should do it again, even with today's high unemployment.

There is no better example than last May's unemployment numbers that show a drop from 9.9 to 9.7, until you get into the not-so-fine print: 41,000 jobs created in the private sector, and 440 new jobs, approximately, to hire census takers. That is what the stimulus is all about? Give me a break.

So this is our chance. This is our chance to show the American people that we are going to cut their taxes, we



are going to take care of the unemployed, we are going to make the doc fix, and we are going to at the same time cut spending and start at least a beginning attempt to get this burgeoning deficit under control. It reduces the deficit by some \$68 billion.

Are there tough things in this measure? Of course. Of course there are tough things in this measure. But it is about time we started making some tough decisions because we do have an obligation to our children and our grandchildren which we have, up until now, clearly abrogated.

I hope my colleagues will consider voting for this amendment and get us on the path toward reducing this debt burden we are placing on future generations of Americans.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. COBURN. Madam President, how much time remains?

The ACTING PRESIDENT pro tempore. Twenty-six minutes.

Mr. COBURN. Madam President, I wish to take over for Senator THUNE, if I may. I want to cover for a moment what Senator GREGG talked about, because we are looking for the pea under the pinochle shell.

We passed, on February 12, pay-go. On February 24, we borrowed \$46 billion outside of pay-go. We said it didn't apply. On March 3, we borrowed \$99 billion and said it didn't apply. On March 2, it was \$10 billion and we said it didn't apply. In April, it was \$18 billion.

Mr. MCCAIN. Will the Senator yield for a question?

Mr. COBURN. Yes.

Mr. MCCAIN. After passage of legislation that was trumpeted everywhere that from now on we were going to pay for additional spending, how could that happen?

Mr. COBURN. It happened because we waived the pay-go rules and we were outvoted. The pay-go rules are a farce.

On May 27, \$59 billion. With the new bill, another \$50 billion. So 46 and 18 is 64, 74, 173, 193, 262, and now 50—that is \$312 billion added to the deficit this year above the \$1.5 trillion we are already going to run.

We get criticized all the time—and I specifically do—as the party of no. Here is what we have offered: Reduce the national debt; this body said no. Sell unused property; this body said no. Reduce the printing costs, which is \$4 billion, and we can save printing this, which nobody reads, and it is all on line; this body said no. Freeze total Federal pay for right now until we get out of the mess we are in; this body said no. Living within our means—an amendment that said we have to live within the revenues that come in—this body said no. Complying with pay-go; this body said no. Cut agency overhead costs; this body voted no. Cut Congress's own budget; this body said no. These are all recorded votes. Eliminate corporate welfare; this body said

no. Stop the bridge to nowhere, that happened 4, 5 years ago but this body said no. Make Federal employees pay taxes; they owe \$3 billion in unpaid taxes and we have no enforcement, but this body said no. Consolidate duplicative government programs that do the same thing. There are 70 programs to feed the hungry, 105 programs for math, education, science, and technology incentives—6 different agencies—this body said no. Eliminate bonuses for failed contractors in the private sector who don't perform, which is \$8 billion a year; this body said no. Decrease nonessential government travel, which saves \$5 billion a year; this body said no. Require the Department of Energy to save energy; ironically, they are the worst offender in the Federal Government in terms of wasting energy, and this body said no.

Isn't it interesting that, with 41 votes, we offer these things and every time they are rejected? They are commonsense things that everybody else in America expects us to be doing, but this body says no.

Why should we do the Thune amendment? I heard the chairman of the Finance Committee say a minute ago that having a 5-percent cut across the board in all of the agencies, except the VA and the Defense Department, would wreck the Federal Government. He obviously isn't aware that President Obama has asked his own agencies to do exactly that. All Senator THUNE is doing in this amendment is what the President is asking the agencies to do. But do you know what. This body is going to say no. We bring forward a bill that only spends \$50 billion of our children's money instead of \$78 billion or \$88 billion, which was defeated yesterday, as if that is some big deal.

This body is going to pass it. They are not going to say no to growing the government, to spending money that we don't have, to giving advantage to those who are well heeled and connected. They are not going to do that. We have lost control of what is important in America. If we were to pass the Thune amendment today, do you know what would happen? The international financial community would get the first signal from the American Congress that we are starting to make some steps toward austerity—the first signal. We don't have any out there now.

Yesterday, it was reported that the M3 money supply in this country is at the lowest level of GDP since 1932. Do you know what that predicts? It predicts that the economy is going to slow rather than increase. That predicts a double dip recession. We have tried everything Japan tried for 10 years, and it didn't work. It is a lost decade in Japan. It is stimulus money and not failing to cut the spending of the government. We are going to do that again. We are going to continue to increase the government.

People may say, why would you want to freeze total Federal wages? Well, it

is easy. The average Federal employee in the United States today makes \$78,000 a year. They have benefits of \$40,000 a year. The average private sector employee makes \$42,000 a year and has \$20,000 worth of benefits. Shouldn't we, when we are running a \$1.6 trillion—it is not \$1.4 trillion because we have added \$200 billion, and we are going to add another \$50 billion with this. When we are running that kind of deficit, shouldn't we say, time out, no increases, except for stellar performance, in the Federal Government, until we get our house in order? But this body is going to say no again. They are going to say no.

The question is, what can we do to fix our economy? Borrowing money that we don't have to spend on things that we don't absolutely need is not the answer to solving the problems with our economy. The answer is for us to live within our means, create a stable environment where business will invest and can plan on what is coming next from Congress. We have them so skittish that they won't spend. That is the reason we are going to have a double dip recession. That is the reason the money supply has shrunk in spite of zero percent interest rates at the Federal Reserve—because people will not take a risk, because we are not leading with something that gives them confidence about the future. We have to change that.

I will end with this. That is the party of yes. Increase the national debt, yes. Violate pay-go, yes. More corporate welfare, yes. Increase the debt limit, yes. Fund the bridge to nowhere and every other earmark like it, yes. Increase Congress's own budget at a time when we should be austere, yes. Tax breaks for special interests, yes. Borrow billions—not billions, but trillions—from our grandchildren, yes. Create duplicative government programs, yes. Finally, create a lower standard of living for us, our children, and our grandchildren.

That is not what we are about, except that is what the Baucus bill does. It thinks in the short term and ignores the long term. It ignores the reality that this government has to get smaller for us to not become Greece. It plays the games that are typical of Washington, which the American people are rejecting.

One final word about doctors, having been one and practiced for over 25 years. What is happening out there right now? What is happening out there now is the same kind of confusion that is happening in the business community. Doctors are saying: I can no longer take a Medicare patient. You are going to give me an extension for 6 months, but there is no guarantee that in 5 or 6 months I am going to have the revenue I need to keep an office open to care for Medicare patients. So what is happening? Medicare patients all across this country are going and finding out their doctors no longer take Medicare.

We saw, earlier this week, when HHS released the first of the thousands of regulations that between 87 million and 127 million Americans aren't going to get to keep the insurance they have. They are not going to under the grandfather clause. So what we are doing is sending every mixed signal possible to not create stable planning, positive input, and positive attitudes about what can happen positively in this country. We have to send a signal to the doctors. The Thune amendment pays for a doctor fix until 2012. It gives them a chance to say, yes, I will stay in Medicare; I can afford to stay in Medicare. If we don't do that, we are going to have hundreds of thousands of Medicare patients who no longer have the doctor they have had for years. It is not because the doctor wants to turn away the patient, but because the doctor has to turn away the patient because they can no longer afford to care for Medicare patients.

So we play this game and bring to the floor a bill with \$50 billion that we are going to charge to our grandchildren, and we have bought the votes off so we can pass it, and we are still doing the same thing. We are still expanding the Federal Government, we are borrowing against our future, we are lowering the standards of living of our children, and we are creating a mockery of the American dream.

I reserve the remainder of our time.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from Montana is recognized.

Mr. BAUCUS. Madam President, I yield 15 minutes to the Senator from Delaware.

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized.

Mr. KAUFMAN. Madam President, I may need 3 or 4 or 5 more minutes.

Mr. BAUCUS. I yield as much time as the Senator wishes to consume.

Mr. KAUFMAN. I thank the Senator.

Madam President, when I was appointed to the Senate, I made a promise to myself not to let this opportunity pass without helping to recognize the contribution made to this Nation by its government workers. This is why I began my weekly "great Federal employee" series last May.

In all my years working as a Federal employee, I have met so many wonderful individuals who have dedicated their careers to working for the American people. So many are deserving but will not make it onto the poster I bring to the Senate floor each week commemorating great Federal employees simply because there are so many of them.

Over the years, as I have witnessed countless acts of personal courage, devotion to country, and real sacrifice, I have also seen and heard such disheartening and baseless attacks against those who choose to serve.

The pending amendment is just the latest assault. It comes on the heels of

a new myth being peddled on television, on talk radio, in print, and on this very floor—the allegation that somehow Federal employees are overpaid; that their salaries have been rising unfairly compared to those with similar jobs in the private sector; that we should freeze or cut their pay or lay them off; that we should make it nearly impossible to hire any new government worker at all.

Before I rebut these arguments piecemeal, I remind my colleagues and the American people what we are talking about. This is not an exercise in the abstract. There are concrete facts. There are names, faces, and real life stories of achievement and hard work.

Nearly 2 million wake up every day and go to work for the American people, for their neighbors, their friends and family, for folks they have never met or will never meet.

They do it for substantially less pay than the same job in the private sector and with considerably more at stake. As I have said before, there are no Wall Street bonuses, and there is rarely ever recognition for their hard work. For many, working as a Federal employee is a tough choice.

In his keynote address at the annual dinner on Monday honoring the winners of this year's Arthur S. Flemming Awards for public service, NIST physicist Dr. William Phillips—whom I honored as a great Federal employee this past December—told his audience about a colleague who decided to work for the Federal Government. This scientist had been working most of his early career in the private sector. At a certain point, he realized it was more important for him to make a difference and serve his country, so he went to work in a government lab.

He told Dr. Phillips that, to do so, he took a pay cut that was a factor of 10.

That is 10 times less pay. I am sure it was a difficult decision, but ultimately he made the choice to work for his country.

I met an appointee the other day who is taking a 95 percent pay cut. I have constantly been amazed by the number of highly skilled and highly experienced individuals willing to take 20, 40, 60 percent salary cuts to work in the Obama Administration. These political appointees join the career personnel, so many of who would also be making much more in the private sector.

Just look at some of those I have honored as great Federal employees this past year.

By the way, I do not pick the people at the top of the spectrum. When I honor a great Federal employee, it is at any level in the government. Anybody who does their job well should be honored. We have so many great Federal employees who operate at all levels of government that I try to honor them all.

I am hard pressed to think of any who would not be making a lot more in the private sector. Not only do we have brilliant physicists such as Dr. William

Phillips who won a Nobel Prize. We also have those such as Brian Persons, the executive director of NAVSEA who has spent his career designing and maintaining our Navy's ships and who holds an engineering degree from Michigan State. Or Erica Williams, an enforcement attorney with the SEC with a degree from the University of Virginia Law School, who I am sure could be making a lot more if she worked for a Wall Street firm. Or Judge Timothy Rice, a Temple Law School graduate who could have chosen to work as an attorney in private practice but, instead, went to work for the Justice Department and on the Federal bench.

I am not saying that all Federal employees earn 10 times less than their private sector counterparts. I am not even saying all Federal employees earn less.

Still, those who claim that Federal employees are making more on average than private sector counterparts simply don't have all their facts straight. We know how these things happen. In this case, much of the data used to make these claims are from a USA Today study a few months ago, which analyzed findings from the Bureau of Labor Statistics.

The big problem with that study is that it is both highly selective of the job categories compared and it fails to take into account the demographics of our Federal workforce.

The number of employees in various private sector job categories dwarfs that of the Federal Government, skewing salary data lower for the private sector, where there are more minimum wage jobs. Also, a large number of Federal jobs require highly specialized skills and, as a result, employees are often older and more educated than the average worker in comparable private sector roles.

Many Americans do not realize that about 20 percent of Federal employees hold a master's or professional degree, compared to 13 percent in the private sector. Fifty-one percent of Federal employees have at least a bachelor's degree, while this is true for only 35 percent of the private sector workforce.

In the words of Max Stier, president and CEO of the Partnership for Public Service which, by the way, is a non-partisan organization this is "not an apples-to-apples comparison."

You cannot simply ask what the average salaries for budget analysts are in the private sector and for budget analysts in government. The same goes for librarians or statisticians or paralegals.

The occupational categories might be called by the same name, but the work is very different. There are different skill sets required, different types of experience necessary.

When actual job tasks are compared, few government jobs have exact equivalents in the private sector.

Contrary to what many have said, Federal workers' salaries are actually

lower, not higher, than those in the private sector.

Indeed, the Federal Salary Council reported last October that Federal employees were making an average of over 26 percent—less—than those in the private sector doing comparable work. Moreover, this represents a widening of the private-public pay gap from the previous year, continuing a recent trend.

However, this line of attack continues from those who routinely disparage the role of government. Unfortunately, it has become all too common to criticize Washington by defaming the civilian employees who work across our government.

Federal employees continue to serve as a convenient scapegoat. That, essentially, is what this amendment does. It assigns blame and does not really address the budgetary problems we face.

It reminds me of an amendment proposed by one of my friends on the other side of the aisle when we were considering the health insurance reform bill. It would have mandated that “for each new bureaucrat added to any department or agency for the purpose of implementing the provisions of the Patient Protection and Affordable Care Act, the head of such department or agency shall ensure that the addition of such new bureaucrat is offset by a reduction of one existing bureaucrat at such department or agency.”

In effect, we would have to fire a Federal worker to hire one. This so-called “bureaucrat offset” amendment—using a word that has become, unfortunately, pejorative in our political discourse—was bad enough.

The Thune amendment, with its blanket pay freeze and hiring caps, takes this a step further, prohibiting any Federal agency from hiring a new employee until one retires.

At a moment when we are faced with a difficult choice about how to reduce our deficit and get our economy moving again, this amendment represents an easy cop-out.

All those who blame Federal employees for our Nation’s problems or believe that cutting their salaries or capping their number will in any way solve those problems remain averse to making difficult decisions.

The cuts to the Federal workforce in the Thune amendment would only save the taxpayers a meager amount compared to what we need to save. Its provisions on the Federal workforce and the ongoing, gratuitous disparagement of America’s public employees from many directions constitute a dangerous distraction from the very tough steps we as a nation must take.

The greatest challenges we face today—the gulf spill, two wars, carbon pollution, illegal immigration, market volatility—all of these will be tackled by hardworking Federal employees.

All of these challenges require a readiness on our part to make difficult choices. Scapegoating and playing the blame game won’t get us anywhere.

Federal employees know firsthand about making tough choices. They do so every day. Many of the great Federal employees I have honored from this desk came to my attention because they faced difficult tasks, took risks, and achieved great accomplishments. Some of those I honored have served overseas in dangerous regions; one gave his life while working for USAID. One left a lucrative private sector job after September 11th to join the Justice Department as an anti-terror prosecutor. Others immigrated to this country from places like Afghanistan and Vietnam and became Federal employees because they wanted to give back to the country that took them in as refugees.

These stories go on and on. They are as diverse and numerous as this great country of ours.

Additionally, all of my honorees share with every other government employee the experience of making that initial decision to pursue government work hardly an easy one to make considering the sacrifices involved.

Ultimately, those who support Federal salary cuts and hiring caps mistakenly view our civil service as a cost. Rather, it is an important national resource with real benefits for all of us.

At the end of the day, I must remind my colleagues that it is our outstanding Federal employees who will carry out the programs we pass every day in this Chamber. We will continue to count on the Federal workforce to keep our skies safe for travel, our troops provisioned and veterans cared for, our schools held to high standards, and our homeland secure.

Woodrow Wilson, as a young political scientist during the civil service reform debates of the 1880s, advocated for a system of public administration because he believed that the conditions of modernity require it in order for a democratic state to function at its best.

Indeed, our civil service has developed into one uniquely suited to our needs and incorporating America’s best constitutional traditions. We have a Federal workforce of which we can be proud.

Federal employees play a critical role in our national life and, through their work, exemplify so many of our Nation’s great values. These include exemplary citizenship; industriousness; a willingness to take risks; perseverance; modesty; and intellect.

Contrary to popular myth, most Federal employees work outside of Washington. In fact, no State—and I include the District of Columbia—no State is home to more than 8.5 percent of the total Federal workforce. Our government employees work in communities large and small, spread out from coast to coast and overseas.

One of the challenges we face is a Federal retirement boom. As the baby boomers get older, the Office of Personnel Management has estimated that one-fifth of the Federal workforce will

retire by 2014. This comes at the same time that more new hires are needed in mission-critical jobs dealing with public health, national security, transportation safety, financial regulation, and many other important areas.

Now is not the time to talk about laying off Federal workers or freezing their pay. We should be talking about how to invest in recruiting the next generation of Federal employees.

The scapegoating and baseless attacks against Federal workers only serve to demoralize those who are on the front lines of confronting our national challenges. It also discourages talented young Americans from making that difficult choice whether to start a career in service to their country.

Let me reiterate. Federal employees make less than those in the private sector, not more. They represent some of our very best and brightest, a dedicated and hard-working group of Americans across this country. We need to recruit a new generation of government workers to help us tackle great challenges, and unfairly labeling Federal employees as a problem fails to realize their important role in finding so many solutions to the very difficult problems we face. The pending amendment’s pay freeze and hiring restrictions will do almost nothing to reduce our deficit; rather, its effect on our government’s ability to address serious issues will be disastrous.

For those looking to shift the blame for our troubles and who have their sights on America’s Federal employees, I suggest look elsewhere.

For those who want easy, let’s-deal-with-this-later answers and are looking for a convenient distraction, I say look elsewhere.

For those who support this amendment, for those who habitually shy away from making the tough choices we in this Chamber need to make, I say, though, look no further than the public employees you so casually fault.

They know how to make tough choices.

I yield the floor and suggest the absence of a quorum and ask unanimous consent that it be charged against both sides.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THUNE. 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. THUNE. Madam President, in response to the comments of my colleague from Delaware, I do not think anybody is denigrating the quality of Federal employees. To the contrary. We are all Federal employees. We all know Federal employees. We are all friends of Federal employees. And we

have a lot of Federal employees who do a great job.

All we are simply saying is when you are in a tough economy, everybody ought to look at what they can do to live more within their means. When we are running a \$1.5 trillion deficit this year and trillion-dollar deficits as far as the eye can see, Lord knows we ought to be looking within to figure out what we can do to try and find some savings that we can use to either pay for the things we need to do or perhaps pay down the Federal debt which, as I said, my amendment does.

AMENDMENT NO. 4376, AS MODIFIED

Also, because I think there is a concern that somehow every Federal employee is going to be frozen, I have a modification to my amendment that addresses that concern.

Madam President, I ask unanimous consent that the changes at the desk be incorporated into my amendment. For the information of my colleagues, these are changes to section 403, and they address the criticisms.

The amendment would prohibit increases in salaries or bonuses for Federal civilian employees. The changes that are at the desk will allow such increases and bonuses to occur so long as agencies do not exceed their fiscal year 2009 budget for salaries.

This is a unanimous-consent request. This would address the concerns raised by some of my colleagues on the other side about making sure Federal agencies have adequate flexibility with salaries and bonuses to address those employees they think are deserving of pay raises. All they have to do is live under that top-line number that gives them flexibility as a Federal manager and to work within it.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BAUCUS. Reserving the right to object, I may say to my friend from South Dakota that this sounds a lot like wage price controls, where the Congress is trying to decide the wages of all kinds of different sectors based on, I don't know what. A lot of trap lines have to be run before this request can be granted. So at this point, Madam President, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. THUNE. Madam President, I simply offer that modification to my amendment to address the concern that every single Federal employee is going to be capped at some level for some foreseeable period of time. That is not the intention.

In fact, what the modification would do is ensure that within the overall budget—within the top line—a manager could make adjustments to individual employee salaries or bonuses if that is something they desire to do. It just means the Federal Government—the agency—is going to have to live within a certain number at the top line. They can work within that salary number beneath that top line. That is all it does.

Again, what I have said before, and I will reiterate for the benefit of my colleagues, is that I think we have a responsibility to be fiscally responsible in Washington, DC. As I said before, we have people all over the country making hard decisions with regard to their personal and family budgets, with regard to their small businesses, and they are having to reduce employee salaries, for example, and they are having to make reductions in force and let people go. Those are hard decisions to make. Surely in Washington, DC, where we have seen year-over-year increases in Federal spending, in discretionary domestic spending, that exceeds inflation by six times—look at the fiscal year 2010 and fiscal year 2009 appropriations bills and the increases that were allowed—21½ percent in those two appropriations bills, at a time when inflation was 3½ percent. How can we justify increasing spending over 20 percent in Washington, DC, when the rate of inflation in our economy is 3½ percent and people all over the country are having to make cuts? It is high time Washington, DC, and the Federal Government went on a diet.

That is not to say anything to denigrate or impugn the quality of Federal employees. As I said before, there are a lot of Federal employees who do a great job. All this is simply saying we in Washington, DC, ought to lead by example. There is great power in example, and we have not been providing the example for the American people. We are asking them to make these hard choices, but we are not willing to make those choices ourselves.

So I think this amendment gives Members of the Senate an opportunity to say yes to fiscal responsibility, yes to living within our means, yes to paying for what we spend money on, and yes to not handing the credit card to our children and grandchildren. These are not Draconian ideas; these are fairly straightforward savings that we would achieve simply by shaving a little bit from these Federal budgets—making sure we rescind those stimulus funds that haven't been spent or haven't been allocated to pay for this new spending. We use those funds that have been appropriated but not spent to finance some of what we are doing and then apply that to pay down the Federal debt and freeze some of the Federal agencies in terms of their budgets and ask for a 5-percent reduction in some of these agencies over the course of the next foreseeable years.

Those are all fairly straightforward steps I think anybody would take if they were trying to get back within a reasonable budget to address what are very serious concerns about the amount of spending and the amount of debt we are piling on future generations. So I am sorry the majority is resistant to accepting the amendment. It would address the concern that was raised by a couple of our colleagues on the other side.

It wasn't my intention to impose a very restrictive straitjacket-type approach on Federal managers. On the contrary, we think there should be a top line budget, that we ought to be able to live within it, and certainly managers can make decisions within that about how best to allocate those resources. Congress has actually blocked its own pay raise in the past 2 years, so it seems to me that is at least something we could apply to other areas of our Federal Government as well.

So, again, I think the whole purpose behind this amendment is simply to create an opportunity for Senators to vote for fiscal responsibility, to vote for paying for the things we spend money on in Washington, to vote for living within our means, and to vote for not adding billions and billions of dollars to the Federal debt, which is already at \$13 trillion and growing by the day.

It seems, at least to me, this is an opportunity for us to demonstrate to the American people that we are serious about getting Washington's spending and debt under control. This amendment addresses the issue of unemployment insurance and extending that, addresses the issue of expiring tax provisions, reduces taxes by \$26 billion, addresses the impending cut in physician reimbursements that would occur if Congress doesn't take action, but it does it for 2 years longer than what the legislation of the majority would do. We address that up to the end of the year 2012.

So it takes care of all those things, and it does it in a fiscally responsible way by reducing spending by over \$100 billion, as I said before, by reducing taxes, by keeping taxes low on small businesses, which are the job creators in our economy. According to the Congressional Budget Office, it reduces the Federal debt by \$68 billion. That is a win-win for the American people—the American taxpayer—and it should be a win-win for the Senate.

I hope my colleagues will support this amendment, and with that, Madam President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. THUNE. Madam President, may I inquire as to how much time remains on each side?

The ACTING PRESIDENT pro tempore. The Senator from South Dakota has 6 minutes, and the majority has 34 minutes.

Mr. BAUCUS. Madam President, I suggest the absence of a quorum, and I ask unanimous consent that the time during the quorum be equally divided.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. 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. BAUCUS. Madam President, I might ask the Senator from South Dakota, through the Chair, whether he wishes to renew his request to modify his amendment because I might tell him, through the Chair, that the amendment has been cleared on this side.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. THUNE. Madam President, I will renew my request to so modify my amendment, and I appreciate the manager accepting that change.

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

The amendment is so modified.

The modification to amendment No. 4376 is as follows:

**SEC. 403. TEMPORARY ONE-YEAR FREEZE ON COST OF FEDERAL EMPLOYEES SALARIES.**

Notwithstanding any other provision of law, the total amount of funds expended on salaries for civilian employees of the Federal Government in fiscal year 2011 shall not exceed the total costs for such salaries in Fiscal Year 2009: Provided the amounts spent on salaries on members of the armed forces are exempt from the provisions of this section; Provided further, nothing in this section prohibits an employee from receiving an increase in salary or other compensation so long as such an increase does not increase any agency's net expenditures for employee salaries.

Mr. BAUCUS. Madam President, I suggest the absence of a quorum, and I ask unanimous consent that the time during the quorum be equally divided.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BAUCUS. I yield 10 minutes to the Senator from Arizona.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Madam President, first let me thank Senator BAUCUS for yielding time that he has for me to speak. I appreciate that very much.

I want to support the Thune amendment. The Thune amendment is a responsible approach both to the things we need to do but also that need to be offset in ways that do not add to our deficit or raise taxes. It includes all of the major priorities that have been accepted by both sides here—by the Democratic Party's version of the extender bill as well as the things Republicans wish to do—but it is fully paid for. It cuts wasteful spending and doesn't raise a dime in taxes.

The underlying proposal that the chairman of the committee has presented to us would increase spending

by \$126 billion. It includes over \$70 billion in new taxes. That, by the way, is a net tax increase of \$48 billion. It increases the deficit by \$79 billion over the next 10 years.

That is the approach that we think is wrong. That is why Senator THUNE has proposed an alternative that we will be voting on here in about 25 minutes, that I think takes the correct approach. It cuts taxes by \$26 billion by extending current law. It cuts spending by over \$100 billion. It actually reduces the deficit by \$55 billion, all according to the Congressional Budget Office, which of course is nonpartisan.

I want to add a point about the notion of offsetting spending increases or so-called paying for those increases. There are a couple of things that are done in the Baucus substitute that I think need to be pointed out because they are not an appropriate way to offset the costs of spending under the bill.

In one of them, we take the oilspill trust fund that is supposed to contain money in it to take care of oilspills when the company's money—for example, British Petroleum's money—runs out and have the Government assist in cleaning up an oilspill when that fund is supposed to exist for that purpose, to clean up the oilspill. Today this is a tax—it is 8 cents per barrel—for the companies to pay into that fund. Under the Baucus substitute that would be raised to 49 cents per barrel. It may well be that we need to raise the tax on the oil companies for the trust fund to pay for oilspills but that is what it should be raised for, to pay for the oilspills, not to pay for something totally unrelated in this legislation. Because if we do that then when it comes time to tap the trust fund to pay for the oilspill, the money has already been spent on things other than what we raised the money for in the first place. So that is not an appropriate way to pay for part of this legislation.

The second thing is, this is putting off the problem to the future in order to take care of a more immediate need. It has to do with the fact that we have to pay for physicians who take care of Medicare patients. This was a problem that should have been addressed in the health care legislation. It was not. As a result, all of the payment for physicians in Medicare was put off to be dealt with at a later time. Now is the later time except we do not want to do it now either, apparently.

The payment for Medicare has already expired. There is not enough money and has not been enough money for the last couple of weeks to pay doctors to take care of Medicare patients. We are simply holding their bills. But within the next few days we are going to have to pass something that allows payment of those doctor fees to take care of Medicare patients. The idea here was to try to get that to at least a 2- or 3-year period. The last version coming from the Democratic side was, I think, 18 months or so. The idea is to try to deal with that problem so we do

not have to come back and keep dealing with it every couple of months or so.

As I understand the latest proposal, we are now only going to deal with that to November of this year. Clearly right after the election we are going to have to come back in a lame duck session. That will make certain we will have a lame duck session because we will have to act on this yet again. Why would we do it that way? It is not the responsible way to do it, obviously. It is to reduce the cost of the legislation here so we do not have to have as much in the way of offsets.

I appreciate the fact we are trying to reduce the size of the bill, but we are only fooling ourselves by reducing this particular element of the bill. We ought to be reducing other elements of this legislation rather than the physician payments because we know those bills are going to come due and we are simply putting off the inevitable.

The final point of criticism of the chairman's bill is the way it deals with something called S corps. These are generally small businesses run by an individual—a doctor, a lawyer, an accountant who has a couple of employees. We are trying to raise—not we, not we, the majority is trying to raise money by changing the tax treatment for these particular legal entities. In order to do what? To raise \$11 billion.

I submit that rather than trying to find a way to raise \$11 billion, and in this particular case it does not work, we ought to be reducing the cost of the legislation by \$11 billion or finding offsets, such as Senator THUNE has found in his legislation, that do not result in bad tax policy.

The net result is that, with all due respect to the chairman—again I thank him for yielding his time so that I could speak against his legislation—I do not think it is the right approach. I think we are going to have to go back and get this right or we are not going to be able to move forward or to proceed to the consideration of his proposal. I think a better approach is the Thune proposal.

As I said, we will have a chance to vote on that here in a minute and I hope my colleagues will support the Thune proposal as more fiscally prudent, as not adding to the deficit, not increasing taxes, and not making bad tax policy.

Again, I thank my colleague for yielding his time and suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BAUCUS. How much time is remaining to each side?

The ACTING PRESIDENT pro tempore. There is 20 minutes 40 seconds.

Mr. BAUCUS. There is 20 minutes 40 seconds on our side; zero seconds on the other side?

The ACTING PRESIDENT pro tempore. That is correct.

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

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

The assistant legislative clerk proceeded to call the roll.

Mr. THUNE. 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. THUNE. Madam President, my understanding is that we are headed toward a noon vote, perhaps a little bit ahead of that. I ask unanimous consent to have about 3 minutes to close debate on our side.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BAUCUS. Reserving the right to object, actually I think we are going to probably vote earlier than that. I just wonder how much time is remaining on the other side?

The ACTING PRESIDENT pro tempore. Zero minutes remain.

Mr. BAUCUS. No time remaining on the other side. There is no time on the side of those who wish to speak in favor of the amendment.

The ACTING PRESIDENT pro tempore. There is 15 minutes on the Senator's side.

Mr. BAUCUS. And no time remaining on the side of those who wish to speak in favor of the Thune amendment?

The ACTING PRESIDENT pro tempore. Correct.

Mr. BAUCUS. There is about 15 minutes remaining on this side. I wonder if my friend from South Dakota, who wishes to speak in favor of the amendment, even though his time has expired, may want to speak favorably about the Baucus substitute, or, if he wishes to speak on his own amendment, he can point out some of the good points of the Baucus substitute at the same time; otherwise, I have no objection.

But to be fair to my side, too, and given the time constraints that we might have, I can only give 2½ minutes.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. THUNE. I will proceed accordingly and try to conclude this in 2½ minutes. That, unfortunately, does not give me enough time to say favorable things about the substitute of the Senator from Montana.

But I do want to close the debate on this amendment by saying that I do think this presents to us a very clear choice about how to accomplish what this legislation strives to accomplish; that is, as we have all talked about—something I think both sides agree on, Democrats and Republicans—extending unemployment benefits to those who have lost jobs; extending expiring tax

provisions that are currently in law, such as the research and development tax credit, that are important to our economy and to our competitiveness; and, finally, making sure the reduction or the cut in physician reimbursements under Medicare does not go into effect.

So those are basically the elements we are talking about today in terms of the things we are trying to get done. The difference occurs as to how we would propose paying for that. The Democratic majority has put forward their proposal which does include tax increases, about \$50 billion now in the current version of it in tax increases. It does raise the debt by about \$50 billion, adds more onto the Federal debt, notwithstanding the commitment to pay for things under the pay-go rules that were enacted in the Senate, and it does increase spending substantially.

What I am offering as an alternative for Senators to vote on is an approach that is very different. It reduces taxes. There are no tax increases in it. The tax reductions occur because of extending existing tax law, actually reducing taxes by \$26 billion.

It reduces the Federal debt, according to the Congressional Budget Office, by \$68 billion, and it reduces spending by \$100 billion. As I said earlier, I think it is important the Federal Government go on a diet. We have all kinds of issues, and Americans across this country have lost jobs, unemployment is at a high rate, people are having to make decisions. There has been a loss of income. They are reducing their personal budgets, their family budgets, their business budgets.

Here in Washington, DC, we continue to spend and spend and spend like there is no tomorrow and hand the bill to future generations. So this is the debate. It is a clear difference in approach, and I hope my colleagues will vote in favor of fiscal responsibility, vote in favor of paying our way, vote in favor of living within our means, and vote in favor of reducing the debt on future generations.

So I would ask my colleagues in the Senate to support this amendment. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Madam President, I think it is good to again remind my colleagues what is in the Thune amendment and why it is not good policy and why it should not be adopted. First of all, it would call for a 5-percent cut in most of government. The Defense Department is exempt; the Veterans Department is exempt but not other sections. Homeland Security comes to mind. Law enforcement comes to mind. Border Patrol comes to mind. There are various areas that would be cut 5 percent across the board arbitrarily.

Second, it would impose harsh caps on medical malpractice damages, the so-called tort reform. The Thune amendment includes tort reform in a way that is unthought through, very harsh caps that would, frankly, result,

according to the CBO, in more deaths in America.

The Thune amendment would also cut the number of people insured under health care reform. It would reduce the number of people insured under health care reform. I do not think many people would like that part of the Thune amendment to stand alone and of itself.

Moreover, the Thune amendment cuts back Recovery Act funds. That endangers jobs. The Congressional Budget Office made it very clear that the Recovery Act does create jobs; it lowers unemployment. The Thune amendment would go in the opposite direction of preventing job creation, of encouraging high unemployment. That would be the effect of it.

The Thune amendment also shields the oil companies and multinational corporations from paying their fair share of taxes. I do not think, especially with the gulf oilspill, many Americans want to shield the oil companies from paying their fair share of taxes, from paying funds into an oil liability trust fund to pay for future oil spills. I think Americans also do not want to shield multinational corporations from paying their fair share of taxes.

There are loopholes in current law that multinationals take advantage of. I think most Americans would not like these loopholes to continue. The Thune amendment continues those loopholes.

So for all of those reasons, I strongly urge my colleagues to not support the Thune amendment.

I yield back the remainder of my time, and I raise a point of order against section 701 of the Thune amendment pursuant to section 403 of S. Con. Res 13, the concurrent resolution on the budget for fiscal year 2010.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. THUNE. Madam President, pursuant to section 904 of the Congressional Budget Act of 1974 and section 4(G)(3) of the Statutory Pay-As-You-Go Act of 2010, I move to waive all applicable sections of those acts and applicable budget resolutions for purposes of my amendment, and I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Minnesota (Ms. KLOBUCHAR) is necessarily absent.

Mr. KYL. The following Senator is necessarily absent: the Senator from South Carolina (Mr. GRAHAM).

Further, if present and voting, the Senator from South Carolina (Mr. GRAHAM) would have voted "yea."

The PRESIDING OFFICER (Mrs. HAGAN). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 41, nays 57, as follows:



[Rollcall Vote No. 193 Leg.]

## YEAS—41

Alexander	Crapo	McCain
Barrasso	DeMint	McConnell
Bennett	Ensign	Murkowski
Bond	Enzi	Nelson (NE)
Brown (MA)	Grassley	Risch
Brownback	Gregg	Roberts
Bunning	Hatch	Sessions
Burr	Hutchison	Shelby
Chambliss	Inhofe	Snowe
Coburn	Isakson	Thune
Cochran	Johanns	Vitter
Collins	Kyl	Voinovich
Corker	LeMieux	Wicker
Cornyn	Lugar	

## NAYS—57

Akaka	Feinstein	Mikulski
Baucus	Franken	Murray
Bayh	Gillibrand	Nelson (FL)
Begich	Hagan	Pryor
Bennet	Harkin	Reed
Bingaman	Inouye	Reid
Boxer	Johnson	Rockefeller
Brown (OH)	Kaufman	Sanders
Burris	Kerry	Schumer
Byrd	Kohl	Shaheen
Cantwell	Landrieu	Specter
Cardin	Lautenberg	Stabenow
Carper	Leahy	Tester
Casey	Levin	Udall (CO)
Conrad	Lieberman	Udall (NM)
Dodd	Lincoln	Warner
Dorgan	McCaskill	Webb
Durbin	Menendez	Whitehouse
Feingold	Merkley	Wyden

## NOT VOTING—2

Graham	Klobuchar
--------	-----------

The PRESIDING OFFICER. On this vote, the yeas are 41, the nays are 57. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Under the previous order, the amendment is withdrawn.

The Senator from Florida.

Mr. LEMIEUX. Madam President, I ask unanimous consent to speak as in morning business.

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

## GULF OILSPILL

Mr. LEMIEUX. Madam President, I come to the floor again today to talk about the situation in the Gulf of Mexico.

Yesterday, I came to report on my meeting with the President of the United States, as well as JEFF MILLER, our Governor, and ADM Thad Allen, that we had on Tuesday in Pensacola. I am pleased to report what the President has done with this fund. It is a good idea to get the \$20 billion in claims that can be made and can be paid.

However, there is another issue. The most pressing issue right now is keeping the oil off the coast of the gulf. We do not have a handle on this situation with the skimmers. We just met with Admiral Allen, and the information isn't any better than it was 2 days ago. In fact, for Florida, the information appears to be worse.

On Tuesday, there were 32 skimmers, according to the Florida Department of Environmental Protection and the Florida incident command off the coast of Florida—32. There is a plume of oil 2 miles wide and 40 miles long off the coast of Pensacola. There is another

plume that ranges from Pensacola, FL, all the way over to Fort Walton, and we had 32 skimmers. Today, the report is we have 20 skimmers—20 skimmers. That is like me and my buddies getting in our boats out there and trying to clean this up. That is not the Federal Government doing its best effort to clean up this oilspill.

The incident command from the Coast Guard's report says there are 100-some skimmers off the coast. It is unclear whether those are off the coast of Florida or completely off the coast. It could be the coast of all of the States. I asked Admiral Allen to clarify that. He said he would.

Admiral Allen tells us there are 2,000 skimmers in the United States of America. Why aren't those skimmers, where available, steaming toward the Gulf of Mexico? He said he is going to put a process in place where we can request them. It has been 60 days since the oil started spilling. Why are we waiting until now to request skimmers? Why are we contacting Governors now to request skimmers? Why are there only 20 skimmers off of my home State when we have this huge mass of oil?

The State Department reported Tuesday morning that 21 requests have come in from 17 countries—rather, 21 offers of support from 17 countries to give us skimming equipment. The State Department says they have been declined. I talked about it to the President on Tuesday and Admiral Allen, and they say: No, it is not true; we have gotten things in from other countries. What is the truth? What is the answer? Are we refusing foreign country assistance or not?

Now there is this thing about, we are going to have a process to let people request waivers of the Jones Act. We are 60 days into this. On Monday, I sent a letter to the President, along with Congressman JEFF MILLER, asking for the Jones Act to be waived. Why aren't we doing everything possible to bring skimmers to the Gulf of Mexico? What is the problem?

I am going to come to the floor of the Senate every day we are in session until this oilspill stops, until every drop of oil is cleaned up, and make a point about this skimmer issue. It is not acceptable. Who is in charge of this? Is it the President? Is it Admiral Allen? Is it BP? Who is in charge? There are only 20 skimmers off the coast of Florida. It doesn't make any sense. Somebody has to do something about it. In my position, what I can do is complain, and that is what I am doing today and will continue to do. I am going to press Admiral Allen and this administration to get as many skimmers there as possible. We need engagement from this administration on this issue, and no other question should be answered until we find out where all those skimmers are.

Thank you, Madam President.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Madam President, I wish to thank Senator LEMIEUX for raising this matter.

I was at the Alabama gulf coast on Friday. We were told there was a batch of oil 30 feet wide, 2 miles long that they could see coming onto the shores of the beaches that had not yet been hit in any significant way. In my mind, a good skimmer, even at 1 or 2 miles per hour, could get every bit of that, virtually. I first thought skimmers wouldn't be that effective. I assumed the oil would be very thin and it would come in and be hard to skim, but apparently it is coming in patches and bunches, which makes it more skimmable than I had originally thought.

The admiral, whom we spoke to less than an hour ago, indicated that he was requesting of the Navy, as I heard what he said, a certain number of skimmers, and they had 400, and we haven't gotten them yet. Perhaps some plan somewhere calls for them to have skimmers in this bay or this harbor in case something happens, but when we have a national catastrophe as we have going on, every one that could possibly be spared should have already been moved to the gulf coast. I really feel as though this is a frustrating event. It is more serious than I had realized.

Also, I think there are several thousand worldwide that have not been asked for that could be asked for. So I think we can do better. I am going to find out if the decisionmaking process is so bureaucratic that for no good reason, we have been delayed in receiving help that could make a big difference on the gulf coast.

I asked him about President Obama's speech last night. As a result, he made comments—

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Madam President, would my friend yield?

Mr. SESSIONS. I would be pleased to yield.

## MORNING BUSINESS

Mr. REID. Madam President, I would say to my friend from Alabama, we are trying to work something out for votes this afternoon, and we are in the process of doing that. I think it would be appropriate that until 1 o'clock we be in a period of morning business, with Senators allowed to speak for up to 10 minutes each during that period of time. I want to hopefully come back with an arrangement to move forward on the legislation.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Alabama.

Mr. SESSIONS. Madam President, I ask unanimous consent to speak in morning business and be notified in 5 minutes.

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

Mr. REID. Madam President, there is one thing I didn't do. I apologize to my friend for interrupting him and express my appreciation for his usual cooperation.

Mr. SESSIONS. Madam President, I know the majority leader has many challenges, and he certainly is entitled to respect to make this kind of announcement.

#### NATIONAL GUARD

Mr. SESSIONS. Our Governor has called up 300 National Guardsmen, and I think it needs to be done under title 32, which is Federal status under State control.

The President on Tuesday evening said:

I have authorized the deployment of over 17,000 National Guard members along the coast. These service men and women are ready to help stop the oil from coming ashore, clean beaches, train response workers, or even help with processing claims, and I urge the governors in the affected states to activate these troops as soon as possible.

Well, the Federal status under State control is the procedure by which the Guard people operate under State control, which eliminates some of the prohibitions on military people being used, Federal military people being used for nonmilitary matters, and it allows payment by the Federal Government.

I guess I would just say that this is not worked out yet. As a matter of fact, Governor Riley has personally been engaged in this, and I have been so proud of his leadership. He has called these guardsmen for some time and has been requesting that they be approved under title 32.

The Admiral told me today that there are still bureaucratic problems—the Department of Defense says this and some law says this. I would just say that the Commander in Chief, the President of the United States, said: Call them up and let's get busy about it. And I hope somehow this can be taken care of promptly, as it is impacting the budget of the State of Alabama in a significant way.

Madam President, I thank the Chair. And I thank Senator LEMIEUX for driving home the problem that, to me, is most inexplicable; that is, our failure to maximize our ability to have skimmers available to protect our beaches.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. LEMIEUX. Madam President, I just wanted to speak for another moment, if I may, and compliment my colleague from Alabama, who has been very vigorous on this issue. I appreciate his voice to make sure we find out what is going on with these resources, especially as he spoke about the National Guard, which is an important topic.

To follow up on my comments before, I have two documents that I ask unanimous consent to have printed in the RECORD.

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



Charlie Crist  
Governor

Snapshot Report # 22  
Wednesday, June 16, 2010 at 0900 hrs EDT

David Halstead  
State Coordinating Officer

#### Mobile Unified Command Boom Operations:

Tier	Proposed/Need	Deployed	Staged	Shortage	Percent Under
1	148,475	185,100	56,050	0	0%
2	282,600	123,500	0	159,100	56.30%
<b>Total</b>	<b>431,075</b>	<b>308,600</b>	<b>56,050</b>	<b>159,100</b>	<b>36.90%</b>

\*\*Changes in FL GRP site numbers as well as boom required will be changing pending approval of Unified Command \*\*

#### County Contracted Boom Tier 3 Totals

County	Deployed	Proposed	Staged
Escambia	20,000	N/A	0
Santa Rosa	10,260	N/A	0
Okaloosa	16,950	N/A	19,550
Walton	0	N/A	0
Bay	0	N/A	78,900
Gulf	0	N/A	11,900
Franklin	0	139,800	70,000
Wakulla	N/A	71,500	0
Jefferson	N/A	18,835	0
Taylor	N/A	N/A	N/A
<b>Total</b>	<b>47,210</b>	<b>230,135</b>	<b>180,350</b>

#### Vessel Assets Deployed:

Type	Working	Staged	Ordered	Notes
Off-Shore Skimmer	79 (7 are skimmers)	7 In area of Op.	5	-TF702 Off Shore Pensacola Area -TF704 South of Ft. Walton Beach -TF705 Moving to "stand-by" in Key West
Near Shore Skimmer	25 (no breakdown on types of vessels)	0		- TF1 Pensacola Pass - TF4 Perdido Pass
<b>Total</b>	<b>104</b>	<b>7</b>	<b>5</b>	

#### Vessels of Opportunity (VOO):

VOO Ordered/Deployed	In-Shore Contracted Assets	Near Shore Contracted Assets	Total Contracted Assets	Deployed Contract Assets
Pensacola	75	40	115	302 2 using Sorbent, Snare & Containment
Destin	200	100	300	
Panama City	153	60	213	
Port St Joe	100	50	150	
Apalachicola	100	50	150	
<b>Total</b>	<b>628</b>	<b>300</b>	<b>928</b>	

#### County EOC Activations:

County	Activation Level
Bay	2
Escambia	2
Gulf	2
Okaloosa	2
Santa Rosa	2
Wakulla	2
Franklin	2

#### Small Business Administration Loan Applications:

Issued	Accepted	Declined	Approved
331	72	14	2
Loan amount approved: \$255,000.00			

#### Clean-up Teams:

Team	Personnel	Staging Location
Emergency Response Team (USCG)	22	Pensacola
Emergency Response Team (USCG)	3	Panama City
Emergency Response Team (USCG)	2	Port St. Joe
<b>Total</b>	<b>27</b>	

(BP) Contractor Personnel	Personnel	Staging Location
Beach cleanups	1047	Pensacola, Panama City
Qualified Community Responders	302	Pensacola, Panama City
Gross Vessel Decon	27	Pensacola
	27	Panama City
Boom Operations	541	Pensacola, Panama City
<b>Total</b>	<b>1944</b>	

#### SCAT Teams:

Team ID	Personnel	County	Staging Location
SCAT 4	5	Escambia County	
SCAT 6	5	Santa Rosa	
SCAT 9	5	Gulf	
SCAT 10	4	Bay	

#### Recon Teams:

County	ATVs Staged	ATVs Deployed
Escambia	0	7
Franklin	0	1
Santa Rosa	0	1
Okaloosa	0	5
Walton	0	4
Bay	0	5
Gulf	0	1
On Stand-By	2	0
<b>Total</b>	<b>2</b>	<b>24</b>
County or Agency	Resources Staged	Resources Deployed
Walton	0 – Command Bus	1 – Command Bus
FWC	0 – Boats	38 – Boats
FWC & Civil Air Patrol	1 – Planes	2 – Planes
FWC	0 – Helicopters	3 – Helicopter
FLNG	0 – Planes	1 – Planes
FLNG	0 – Helicopter	1 – Helicopter

#### BP Reported Product Recovered:

Staging area	Product Collected	Amount Collected
Pensacola	Trash and Product Debris	15.23 tons
Panama City	Trash and Product Debris	1.46 tons
<b>Total</b>		<b>16.69 tons</b>

BP Claims: \*Updated detailed BP Claims report can be found in EM Constellation\*

BP Claims in Florida	Claims	Approx. Paid
<b>Grand Total</b>	<b>*13,978*</b>	<b>\$11,248,856.44</b>
*One claimant has one claim which may have multiple events*		

#### Recovered Oiled Wildlife:

	Recovered alive*	Released	Died or euthanized	Still in Rehab	Recovered dead
6/16/10	9		4	18	0
<b>Total #</b>	<b>36</b>	<b>2</b>	<b>16</b>		<b>18</b>

\*Does not include marine mammals or turtles. \*Primarily northern garrets and brown pelicans  
See the consolidated wildlife report updated by noon each day:  
<http://www.deepwaterhorizonresponse.com/go/doctype/2931/55963>

SHORE OPERATIONS - FLORIDA (Panhandle)									
National Incident Command Daily Situation Update - INTERNAL DHS USE ONLY									
Prepared By: CDR Becker/CDR Hein									
0600 EDT 16 June - 0600 EDT 17 June 10									
Operational Highlights									
<p>WX: Heat index 100-105.</p> <p>SHORELINE: Continued beach cleanup efforts in Escambia and Okaloosa Counties.</p> <p>NEARSHORE: Deployed boom in Gulf and Franklin Counties. Relocated Task Force III to East Side of Pensacola Bay. Continued night VOO operations. Recovered 565 bags of tar balls; of the 565 recovered 17 have come from Okaloosa.</p> <p>OFFSHORE: Transitioned Task Forces to work nearshore in order to stay ahead of the leading edge of the spill.</p> <p>BOOM: 45,100' deployed last 24 hours.</p>									
State and Local Concerns									
<p>-Unified Incident Command and Liaison Officers working to address Local and State Officials' concerns about available booming and skimming capacity as well as more innovative and effective onshore and offshore cleanup tools.</p> <p>-Boom required by plan numbers have changed to reflect refined ACP priorities and include three additional Florida counties.</p> <p>-FL Responders: 70%. (Does not include workers from impacted neighboring States. Out-of-State workers include those brought in possessing pollution response expertise and include adjacent</p>									
Future Operations - Next 72 Hours									
<p>WX: Morning showers or storms over the coastal waterways may contain waterspouts. Heat index 100-105.</p> <p>OIL EXPECTED ASHORE: Tar balls and patties in Destin.</p> <p>OIL RESPONSE PRIORITIES: Boom maintenance in Pensacola. Ramping up beach cleanup operations in all areas. Increasing personnel for cleanup by 200. Conduct night operations in Pensacola and increasing boom operations in Panama City. Ordering 30,000 ft of boom and relocating 14,000 ft from Pensacola to Choctawhatchee.</p>									
Resources									
Boom Stats <sup>3</sup>		Personnel Totals		Equipment Assigned <sup>5</sup>		Logistics			
Boom Required by Plan		Component		Platform		Based (acft)		Spot/Recon (sorties)	
Required (w/ wear & tear)		USCG		Fixed Wing		2		4	
Boom Deployed		Nat'l Guard		Helo		3		10	
Boom Staged		Contractors		Vessels of Opportunity		568		Barges	
Percent Complete		BP		Other Vessels		212		Skimmers	
Surplus/Shortfall		Other		Skimmers		110			
Requested above Plan		Grand Total							
Deployed above Plan		SCAT/RAT							
Boom rcvd in last 24hrs									
Boom Ordered <sup>4</sup>									
<p><sup>3</sup> Boom requirement for Franklin, Wakulla and Jefferson counties not included. Requirement anticipated to change as ACP priorities are refined. Stats reflect previous operational period; boom inventory results pend.</p> <p><sup>4</sup> 1.35M ft of boom ordered for entire response. 532,000 ft of boom due to arrive by 26 June &amp; will be allocated as needed.</p> <p><sup>5</sup> Flight sorties conducted throughout the entire gulf region. Near/Offshore skimmers are UAC assigned assets.</p> <p>Qualified Community Responders: To date, 2,177 volunteers have been trained to assist in land-based clean-up efforts.</p>									
Shoreline Impacts (Verified by SCAT Assessments)									
County	Current Shoreline Impacts (Miles)	Type of Impact	People Assigned	Estimated Clean Date (Range for County)	SCAT Assessed to Date	Removal <sup>1</sup> (cubic yards)			
Escambia	32.0	Mousse	870	23-Jun	45.1				
Santa Rosa	0.0	Mousse	2		0.0				
Okaloosa	12.0	Mousse	108	17-Jun-10	25.7				
Walton	6.0	Mousse	74	17-Jun-10	24.6				
Bay	20.0	Mousse	124	19-Jun-10	42.5				
Gulf	26.0	Mousse	186	20-Jun-10	0.0				
Franklin	0.0		3		0.0				
Wakulla	0.0		0		0.0				
Jefferson	0.0		0		0.0				
Taylor	0.0		0		0.0				
TOTAL	96.0		1,367		137.9	908			
Claims Summary									
# of Claims	\$ Dispersed	Denied	> 30 days	Centers	People				
15,946	\$12,649,271	0	3,768	12	141				
Wildlife									
Type	Collected Alive	Collected Dead	Total	Released					
Birds	36	220	256	2					
Sea Turtles	9	37	46	0					
Mammals	2	1	3	0					

Mr. LEMIEUX. Madam President, these are two documents from yesterday. I spoke a moment ago of 20 skimmers. That is a Thursday document; this is the Wednesday document.

This is the Snapshot Report No. 22, Deepwater Horizon Response, Wednesday, June 16, from the State of Florida's Governor Crist to Dave Halstead, State coordinating officer. This says, as of yesterday, 32 skimmers off the coast of Florida. The report we have from today has 20, so that is a drop of 12.

This is the National Incident Command Daily Situation Update, Shore Operations—Florida panhandle, Department of Homeland Security document.

It says there are 110 skimmers. We just found out that is for the entire gulf coast. What is being reported to us is that there are 110 skimmers for the entire gulf coast. Thirteen of those skimmers are off of Florida. We are told that those 13 are encapsulated within this number of 32. As of yesterday, 32; as of today, 20. Only 110 skimmers are off the entire gulf coast to fight this problem.

We are calling upon this administration to get its act together. We commend them for this fund yesterday. That is good work. We give credit where credit is due. But we have to stop this oil from coming to shore. These skimmers can do the job.

If there are 2,000 skimmers in this country, why aren't they headed to the gulf? If there are thousands of them around the world, why aren't they headed to the gulf? This question must be answered as quickly as possible.

My colleague from Alabama and I and others will continue to come to the Senate floor and urge this administration to get on top of this problem and get these skimmers where they need to be.

Mr. SESSIONS. Before the Senator leaves, I will ask a question to my colleague, because he has come to this lately. He might share with us—the Senator has had personal conversations with Admiral Allen, the point person, about this for some time, has he not? We still have difficulty getting firm numbers, as the Senator pointed out, about how many might be available and what prospects we have for the arrival of more skimmers, is that correct?

Mr. LEMIEUX. That is correct. We have been talking to the Coast Guard for weeks about trying to muster every skimmer available to the gulf for not just Florida but for Alabama, Mississippi, and Louisiana. I met with the President, Admiral Allen, Governor Crist, Congressman JEFF MILLER, and other State officials in Pensacola. We met for an hour. I asked about the skimmers and about the report from the State Department, and I asked: Did we decline foreign assistance? I asked about the skimmers. He said that, of course, Admiral Allen wants to get as many skimmers as possible, and he is

working on it. That sounds good, but we need results. It is not just about effort; we need results. These reports are showing that we are not getting the results.

Mr. SESSIONS. Does the Senator understand that Admiral Allen has the power—or the President does—to enter into Jones Act waivers that need to be entered into, and that presumably could be done in a matter of minutes or hours? What is holding this up? Has the Senator been able to ascertain that?

Mr. LEMIEUX. I don't know what is holding it up. The Jones Act is not a barrier. That can be waived. The Jones Act was waived, as I understand it, after Katrina. There is power under the U.S. Code—I believe it is 46 U.S. Code, section 500, but I will check that—that gives the ability of agency heads of the Federal Government to waive the Jones Act.

The President and Admiral Allen tell us there are ships that have come from foreign countries. I hope that is true. I assume it is if they told us that. Why is the State Department on the one hand reporting that they are declining offers of assistance from 17 countries, and then we hear some ships are being used?

It comes back to the point my colleague, Senator NELSON from Florida, made about having a command and control unit. I am believing that Admiral Allen is running this operation, and I like him and commend him for his service. But we obviously need to have a better top-down control situation here so that we get some results.

Every person in America has to be scratching their head as to why these skimmers aren't there. Why aren't there hundreds of them off the coasts of Alabama, Florida, Louisiana, and Mississippi? We just celebrated the anniversary of Dunkirk a couple days ago, where the British civilians took their boats out and rescued the British soldiers who were retreating, and saved the day. Why aren't there boats there to save the day for the gulf coast?

Mr. SESSIONS. Well, has the Senator ascertained that anybody in our government is scouring the world and the United States to try to move every single skimmer that could possibly be brought to the gulf coast? If not, we are awfully late, wouldn't the Senator think? Shouldn't that have been done weeks ago?

Mr. LEMIEUX. That is a great point. There doesn't seem to be a sense of urgency. Job 1 is stopping the oil from leaking, and job 2 is stopping the oil from coming ashore. They are doing some good work. The President tells us that by the end of the month 90 percent will be contained. Let's hope that happens. Let's stop the oil from getting on our beaches, in our estuaries, our coastal waterways. The best way to do that with booming is skimming. As the Senator mentioned, skimming is working and the oil is able to be skimmed. Why are we waiting to ask Governors? As Admiral Allen told the Senator and

me a moment ago, they are going to put in a request to Governors to free up skimmers. There are skimmers around the country that have to be on duty because there could be a spill someplace else. They have to request waivers. One, why are we waiting until now? Two, that is like saying your house is burning down, but the fire truck is covering another area in case a fire breaks out. Well, the fire is happening now. The skimmers need to go to the gulf now. Why there isn't that sense of urgency and followup, I cannot explain.

Mr. SESSIONS. I thank the Senator. I yield the floor.

Mr. DORGAN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### SHIPPING JOBS OVERSEAS

Mr. DORGAN. Madam President, I have filed an amendment to the underlying legislation. I know there is discussion about who might get an amendment. A lot have been filed. There is negotiation about which amendments might be made pending and debated. I hope this amendment will be. It has had a long and tortured history. It is an amendment I offered when the now-President, Barack Obama, was a Senator, and he strongly supported it. In fact, during his campaign, he talked a lot about this subject. It is the issue of shutting down a perverse tax incentive that exists in this country for shipping jobs overseas.

We provide tax incentives if you are willing to shut down your factory, fire your workers, and move your product elsewhere; we say we will give you a tax break. That is unbelievable. We have had four recorded votes in the Senate. I have lost all of them.

As it seems, many people believe we ought to continue this tax incentive. I think we ought to continue to try to get a majority in the Senate to agree with the proposition that, at long last, we have to stop subsidizing shipping American jobs overseas.

On this chart is a description of the "cool, refreshing taste of mint dipped in dark chocolate." The ad, by Hershey's, is for their York Peppermint Patty, and it says, "the cool, refreshing taste of mint dipped in dark chocolate will take you miles away." Little did we know that it will actually take you to Mexico, because that is where they began to make these mint patties. They used to be American made, all-American mint patties. But now they have gone to Mexico. In fact, 260 jobs were moved to Monterrey, Mexico, as part of a long-term Hershey's strategy. So that is mint patties. I suppose they

are not as important as, perhaps, automobiles, or jobs that are making sophisticated high-tech equipment. But still and all it is mint patties.

Hallmark Cards, an American company, privately held in Kansas City, MO, with a 100-year history in our country. It was founded by a high school dropout who started this company in 1910 with shoe box postcards. He sold a shoe box full of postcards, while living at the YMCA in Kansas City. This became a fabulously successful card company. In fact, all of us have used Hallmark cards to send a message to someone. When they say "if you care enough to send the very best," they don't exactly now say where to send it. If you are going to send it where they are made, they have gone to China. What kind of a card do you send to a Hallmark employee whose job is now in China, where they are making Hallmark cards? So that is mints and cards—probably, as I say, not as important as making automobiles. But those jobs have also left.

Making refrigerators. Whirlpool has been involved, as well, in moving jobs. I have talked about this previously. Whirlpool refrigerators moved jobs all over the world from Evansville, IN. They moved work to a factory in Mexico, even though the company accepted a \$19.3 million grant by the U.S. Department of Energy to develop smart appliances. Those smart appliances left to go south. So Whirlpool appliances have gone to Mexico, and 1,100 U.S. jobs moved to Mexico.

This is a picture of a woman named Natalie Ford, 42 years old, who worked at a Whirlpool appliance plant in Evansville for 19 years. She learned that her job was moving to Mexico in November of 2009. That is a photograph of Natalie when she discovered that her 19-year investment in this company was over.

It was like a punch in the gut, she said.

I notice every month we focus on this issue: How many jobs have we created in this country? How many have we lost? How many people are filing for unemployment insurance?

I consider the job thing like a bathtub. You have a faucet that puts jobs in, creating jobs in this economy, and then you have a drain, and it is wide open. We are talking about how many jobs we create next month, and the drain is wide open. They are going to China.

For example, I will show a couple of photographs of where some of these jobs go.

This is the home of a Salvadoran worker who makes NFL jerseys. They sell for \$80 apiece in the United States of America—NFL football jerseys. Here is the home of the worker. I have held hearing after hearing about these issues.

This is a Reebok NFL jersey made by a Chinese-owned sweatshop in El Salvador. Again, that merges all the best of what we know is wrong with the

issue of the migration of jobs—a Chinese-owned sweatshop in El Salvador making NFL jerseys for Reebok.

I have held hearings, and I have had people who work in El Salvador testify at hearings. I will not spend much time on this because I have shown it on the Senate floor so many times. This is Radio Flyer, a little red wagon made in Chicago. This a 110-year-old company, made by a wonderful immigrant who loved radios and loved airplanes, built a little red wagon that every kid in this country has ridden in. What did they name the little red wagon? Radio Flyer, because he liked airplanes and radios. We all understand what Radio Flyer means. It means a little red wagon that pulls kids. But they are gone. They are not made in Illinois any longer. They are all gone to China. Maybe that is OK if one doesn't care where these things are made and where the jobs are.

Finally, Huffy bicycles. I know I have described this company forever. But those who worked there were paid \$11 an hour, and they all lost their jobs—all of them. There is still a Huffy bicycle. All the jobs went to China. They then declared bankruptcy, and all the pension plans of all the people fired in the United States making Huffy bicycles, made for decades, were taken over by the Federal Government because the company declared bankruptcy. Now the Chinese own the brand and they make these bikes in China.

I know who makes them. They are made by Chinese workers who make 30, 40, 50, 60 cents an hour tops. They work 7 days a week, 12 to 14 hours a day. That is what is happening.

I have not described the automobiles and what is happening, or the airplanes parts for that matter. The list is very substantial. I have spoken about it at great length.

I described that Fruit of the Loom underwear left America. Maybe underwear is more important or less important than chocolate mints or Hallmark Cards. I don't know. Fruit of the Loom is the company that used to have the dancing grapes, the red grapes and green grapes people would dress up as. I don't know what kind of people dress up in grape outfits. They seem to have fun. They advertised Fruit of the Loom underwear.

All of a sudden, there is not any underwear made in the United States by Fruit of the Loom. Do you know there is not one pair of Levis made in the United States? Not one. Talk about the all-American company, buying your first pair of Levis, buying a pair of Levis for school, there is not one pair of Levis made in the United States. It has all migrated, all gone.

Here is the proposition. We stand idly by while month after month these jobs are leaving. I described previously on the floor about an airplane trip I took about 4 or 5 months ago. I sat next to a man who was wearing a gym outfit, sweat pants, and so on. He was pretty comfortable on that airplane.

I said: Where are you headed?

He said: I am heading to Asia. I am going to be on a long trip, 25, 30 hours, so I decided to dress down.

He was wearing one of those sweat outfits.

I said: Why are you going to Asia?

He said: My company wants to move the jobs and have the products that we buy from the suppliers made in Singapore, Thailand, and China. So I am going on a trip to Singapore, Thailand, and China to take a look at where we can move these jobs to these countries.

I thought, here is a guy sitting on a plane, wearing a sweat suit, and he is going someplace and there are perhaps thousands of workers whose job is going to be traded away because somebody decided: We can make those kinds of products less expensively if we can find people who will work for 30 cents an hour.

Perversely, it is not just that. We have also decided, if they will do that—just shut the door, fire the workers, chain the factory gate—we will give them a big, fat tax break.

If you have two companies across the street from each other—both making the same product, both doing the same thing, both employing the same number of people—and one says they are moving to China, fires the workers, locks the gate, and the other says they are staying here, guess what the difference is the next year. If they make the same amount of money, then the company that stays here pays higher taxes and the company that leaves pays lower taxes. That is the perverse, insane tax incentive that exists in our Tax Code.

The amendment I have filed deals with the issue of what is called deferral—deferring the obligation to have to pay taxes to a later date when you repatriate the income. I do not eliminate deferral altogether. I eliminate deferral when a company leaves our country to go abroad and produce a product to sell back into our marketplace. If that is your motive, then you ought not get a tax break from this government or this country. It makes no sense for us to continue this behavior.

As I have indicated, I have required votes on this issue. We have had debates and I required votes. There are people in this Chamber who cast a vote against an amendment such as this and then rush off the floor and they will even be the ones who talk about how they support American jobs.

Don't tell me you support an American job if you support a tax incentive that moves our jobs overseas. Just don't tell me because it is not true.

We will again next month, right on the edge of a knife, be wondering what is happening to this economy by the evidence of unemployment numbers or the evidence of new jobs created. As I said, it is fine, and I work with all the people here. In fact, the bill that is on the floor is the so-called extender bill, a jobs bill, an attempt to invest in new jobs in this country, incentivize new



jobs in this country. To the extent we create new jobs in this country and at the same time incentivize jobs running out of the country, that is just bone-headed. We cannot keep doing that.

At some point, the Congress has to decide, based on some reservoir of common sense, that we are not going to provide incentives for people who move American jobs elsewhere. We have trouble enough competing with labor conditions that exist, as I have described in those charts, with a number of circumstances that exist in the hiring of workers in China who you can work 7 days a week, 12, 14 hours a day and, by the way, you can house them and sleep them in a cinder-block room that holds 12 people. That is what is happening. We have trouble enough competing with that, let alone giving a big tax incentive to somebody who says: That is where I want to do my business.

I am just saying, I filed an amendment. I know there is a dance going on here to decide who gets votes and who doesn't. If we are worried about this economy and worried about trying to incentivize American jobs, we have to vote on this amendment and we ought to pass it with a resounding vote.

Does anybody here care about whether "Made in America" once again is something we can put as a sticker on a product? Do we care at all? Or is it just that we do not need to make anything? It seems to me America's future is to understand and learn from our past that we are a strong, world-class economy only when we have a world-class manufacturing base. We will not long remain a world-class economy if we decide it does not matter what our manufacturing base is.

In the previous 9 years ending in 2009, we lost more than 5 million jobs in the manufacturing base of people who make things. I am talking about people who go to work and take a shower after work. They are on a factory floor and making real products, "Made in America." That has been the reservoir and source of a lot of good jobs that pay well with good benefits. It always has been. That is what largely expanded the middle class in this country.

Now there is some notion that it does not matter somehow; this is just a world economy and it does not matter. Get on your airplane, search around the planet. Where can you land that plane, open a plant, and hire somebody for 30 cents an hour? I tell you what, the question of who is going to clear the products that are for sale from the shelves in this country is a very interesting question.

Mr. Ford, when he opened his Ford plant to begin building automobiles, believed that you ought to pay a wage to the workers that gave the workers a chance to buy the product they make. In the larger aggregate sense, the question is, Who will buy the products on the shelves if people do not have jobs? You fire your workers and you make Hershey's mint patties in Mexico, or

you make Hallmark Cards in China, or you decide to make bicycles, little red wagons, automobiles, trucks, and airplanes elsewhere. Who is going to be on the factory floor producing products in this country? Who is going to earn the wage by which they become consumers?

We are short about 20 million jobs right now in this country, and 20 million jobs is what we need to put people to work.

We have just gone through commencement exercises in this country. There are a lot of kids who put on a cap and a gown with enormous pride, finally graduated from college, and a whole lot of them cannot find a thing to do. They cannot find work.

This President, when he walked across the threshold of the door of the White House, inherited a \$1.3 trillion Federal budget deficit left by the previous administration. Had he done nothing, had he been Rip Van Winkle and slept for 10 months or a year, we were going to have a \$1.3 trillion deficit. That is what he inherited, and an economy that was in desperate condition.

He has done everything he can to try to put this back on track. It is hard, and it requires both parties and the best ideas of both. This ought not be difficult. This idea of stopping this insidious subsidy from moving American jobs overseas ought to be an idea that takes root here and garners 90 votes, 95 votes. Instead, we have lost the vote on this amendment over recent years four times.

I started by saying that President Barack Obama, when serving in the Senate, was a supporter of this amendment. He voted for this amendment and believed in this approach. He still does. He has talked about it. I hope very much we will get a vote in the Senate on this today or tomorrow and put the Senate on record as having taken the first step in doing something meaningful to shut the drain and begin the process of saying to people: If you stay here, if you manufacture here, if you run a plant here and produce a product here, God bless you. We are on your side. We are not going to give your competitors who leave and move jobs to China a tax break. We are on your side if you stay here.

That is what we ought to be doing, investing in American jobs, investing in products made in our country, investing once again in a strong manufacturing base in order to remain a world-class economic power.

Madam President, at that point, I have exhausted all of the arguments once again for this amendment, hoping that enough will have listened or perhaps be given information that this is a worthy vote if you want to stand up for American jobs.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### AMERICAN JOBS AND CLOSING TAX LOOPHOLES ACT OF 2010—Continued

Mr. CORNYN. Mr. President, I rise to speak on the pending legislation, which is called the American Jobs and Closing Tax Loopholes Act of 2010. Sometimes it is spoken of as the tax extenders bill. But in reality it is a deficit-extending bill. The reason I say that is because the substitute amendment still adds a reported \$55 billion in red ink to the deficit.

More deficit spending is simply irresponsible. Our national debt, as we know, is over \$13 trillion, and \$2.3 trillion of that \$13 trillion of debt has been added just since the time President Obama has been sworn into office. Congress is spending money in a way that would give drunken sailors a bad name—more than \$30,000 per household, more than \$12,000 per household from our children.

According to the Congressional Budget Office, the public debt under the President's budget will be at 90 percent of our gross domestic product by the year 2020—90 percent of our gross domestic product. Greece had a debt-to-GDP ratio of 115 percent, and we are getting far too close for my comfort.

Our debt represents a national security vulnerability. I am glad the substitute amendment retains my amendment, which we voted on earlier, to create greater transparency on exactly who owns our debt when we run up deficits and add to the debt, and it requires us to then periodically assess the strategic and economic risks associated with that debt. For example, the Treasury Department recently reported that China holds about \$900 billion of U.S. debt. So when we spend money here, somebody has to buy the debt. What happens is that China and other countries buy that debt, and that creates a potential national and economic security issue.

The best way to reduce our strategic and economic risks associated with our debt is to stop spending money we do not have. Stop. Every family, every business in America, when they run out of money, they do not just continue to try to max out their credit card. The problem is that the credit card of the Federal Government knows no limits. Only the Federal Government can continue to print money and rack up debt and hope and pray that countries such as China will buy that debt in the future. It has to stop.

America's fiscal mess is not just a math problem. Government debt crowds out private sector investment that instead could help create jobs for the 15 million Americans who are unemployed. Our unemployment rate is

close to 10 percent. For Hispanics, it is 12.4 percent. For teenagers, it is 26.4 percent—the toughest job market for young people in 41 years even though it is summertime and many of them are out of school and looking for work. Nearly 9 out of 10 net jobs created in May were temporary jobs created by the Federal Government in hiring temporary census workers. Only 41,000 net private sector jobs were created in May—an anemic figure, to be sure. According to economist Larry Lindsey, as much as 20 percent of the net private sector job creation in May was due to the oilspill in the Gulf of Mexico—temporary workers hired to skim oil off the gulf and to protect our beaches and estuaries.

We know the administration will, unfortunately, further exacerbate the unemployment situation, particularly along the gulf coast where I live in Texas, by its 6-month ban on offshore deepwater drilling. We all understand we have to stop this spewing well. That is job No. 1. No. 2 is we need to make sure we understand what happened and make absolutely sure, as much as humanly possible, that it never, ever happens again. But we also need to be mature enough and aware enough to assess what this means if we impose a lengthy ban on deepwater drilling. It means more dependence on imported oil from abroad, from dangerous parts of the world, even countries that wish us ill. It also means jobs here at home will be destroyed because these deepwater rigs will move to other parts of the world, Brazil and other places. According to the energy industry, more than 46,000 jobs could be lost as a result of the moratorium in the short term and 120,000 jobs in the long term.

Unfortunately, the policies that are promulgated by the Congress and by this Senate have an impact on jobs. They can either be a positive impact and facilitate private sector investment in job creation or they can be job killers. I, for one, worry far too often that what is emanating from Washington, DC, these days amounts to job-killing policies, and this underlying bill we are debating has a couple of good examples.

We know job creation should be our No. 1 priority when unemployment is at historic highs, when people are losing their homes due to foreclosure because they simply do not have jobs to be able to pay their mortgage. But this so-called tax extenders bill actually raises taxes on capital creation and on investment in a way that will hurt job creation. There are two taxes I am referring to specifically, and while both are somewhat technical, it is very important to understand them.

The first tax relates to so-called carried interest. Partners in private equity firms are often paid based on their performance in addition to their salary. Under current law, this so-called carried interest is taxed like a capital gain at the 15-percent rate, if we are talking about right now, 15 percent, as

opposed to ordinary income, which is taxed at a much higher rate.

The substitute amendment would change the way this carried interest is taxed and take it from the capital gains, which is a much more attractive rate, which encourages capital formation, encourages investment, and raise that rate to the highest individual income tax rate for ordinary income of 39 percent. What do you think is going to happen when entrepreneurs and investors look at this change in the tax law from 15 percent to 39 percent? Do you think it will expand or will it contract the amount of money invested in job-creating ventures? Well, common sense should tell us it will contract it. It will reduce the number of jobs. It will reduce the capital available for investment. And it is exactly the opposite policy we ought to be pursuing with high unemployment and people losing their homes.

Higher taxes on this type of business activity is bad enough, but even worse is another tax that is embedded in this bill called enterprise value. These are arcane subjects and, indeed, I felt a little better yesterday after talking to some of my colleagues on the floor. I said: Do you understand what enterprise value tax is? And thank goodness I saw some blank looks on their faces, and they did not understand it. So I did not feel alone. So we have all had to get a little bit smart and a little bit better educated. But let me tell you what I have discovered in the process of my own education. Enterprise value is known as brand value or good will. It is the value of the sweat equity, the hard work owners put into businesses over time.

Under current law, when a partner sells his or her interest in a business, the enterprise value is taxed as a capital gain. This legislation would change the tax treatment on the sale of that business but only for certain types of businesses. In other words, this bill targets certain types of businesses. But as one writer commented recently—they said they worry that this is a stalking horse or an attempt to take all capital gains treatment for the sale of businesses and to raise it to ordinary income levels—in other words, to double, or more, the taxes on the sale of certain types of businesses.

Owners of investment firms and real estate partnerships would be singled out for higher taxes when these businesses are sold. They would pay much higher taxes than what are paid under current law. Again, why should people care? Why should anyone within the sound of my voice care about what this handful of private equity firms and real estate partnerships pay? Well, it is because what this, in effect, does is it takes the seed corn that is used to grow the economy and it destroys it. It dries up the money that creates the investment, that then allows the creation of businesses and expansion of businesses to create jobs. That is why all of us should care even if we individually don't have to pay it.

In fact, under this narrowly tailored and targeted and discriminatory bill, investment partnerships would be the only businesses in America where the value inherent in the enterprise would be ineligible for capital gains treatment and instead be hit with the higher tax bill when the overall enterprise part of it is sold.

This legislation would break new ground in taxing enterprise value as ordinary income and would unfairly tax value accumulated perhaps over decades by small businesses all across America.

Supporters of this bill will tell you this proposal is all about targeting the hedge fund managers on Wall Street, suggesting that this is payback or due retribution for the havoc a handful of people have wrought on the American financial system. But this proposal would not target the people who caused the financial meltdown. This targeted provision would have a devastating effect on Main Street in Illinois, in Montana, in Texas, in Pennsylvania—everywhere around this country.

Let me give you an example. Private equity-backed companies based in my State employ about half a million workers. What happens to those jobs if this legislation becomes law? Well, not surprisingly, a lot of the investors in these private equity firms where the private equity-backed companies get their money are retirement systems such as the Employees Retirement System in Texas and the Teacher Retirement System in Texas, both of which have a portion of their assets invested in private equity.

So I ask again: What happens if this legislation becomes law? What happens to small businesses that depend on private equity to grow their businesses and create jobs? Well, I received an answer to that question from Donald Brown, the chief executive officer of a medical device company that has an office in Fort Worth, TX. The name of that company is Arterioocyte Medical Systems, otherwise known as AMS. AMS is a fast-growing company—again, something we ought to want to encourage, not discourage, by the policies emanating from Washington. Fast-growing companies create jobs which allow people to provide for their families. In a high unemployment economy, it ought to be exactly the sort of growth we ought to encourage.

This company has an interesting story to tell because it is partnered with the Institute for Surgical Research at Fort Sam Houston in San Antonio. Their goal is to improve surgical outcomes for U.S. troops injured by blast burns and to reduce the necessity of amputations. AMS has also grown because private capital equity was invested in this business in 2007 and helped them grow from 6 employees to 70 employees, with an average employee salary that exceeds \$72,000 a year.

Here is what Mr. Brown told me in a letter he sent:

By changing the tax treatment of carried interest to ordinary income, [this bill] would penalize entrepreneurial risk-taking and discourage investment in companies like ours that need capital the most.

I ask unanimous consent to have Mr. Brown's letter to me printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. CORNYN. Mr. President, it is telling and it is also disappointing that the Senate earlier today rejected the Thune alternative, which I cosponsored. The reason I say it is telling and disappointing is because the Senator from South Dakota offered us an option to extend many of these expiring tax provisions, but it would not have enacted punitive, economically destructive tax increases—things such as the enterprise value tax and the tax on carried interest.

The option offered to us by Mr. THUNE, the Senator from South Dakota, would have continued important expiring tax provisions, including the State and local tax deduction, which I must add provides Texans with over \$1 billion in Federal tax relief annually. That is because we do not have a State income tax, and we are proud of it. That is one reason why we continue to grow and create jobs while many other parts of the country do not fare as well. But this at least provides equity to us by allowing people in Texas who pay sales tax to write that off of their Federal income tax, as other States do when they pay a State income tax, to write it off their Federal income tax.

But instead of increasing the budget deficit by \$55 billion—which this bill does, as it currently has been offered—the option offered by the Senator from South Dakota would have reduced the deficit—reduced the deficit—by \$68 billion and extended the expired tax provisions.

It is baffling to me why we would reject, why the Senate would reject, an opportunity to do what on a bipartisan basis we want to do: extend these tax benefits for the benefit of the American people, but to do so in a way that is fiscally responsible. I just do not get it. Hence, further evidence of the growing disconnect between what is happening here in Washington in the Congress and what we are hearing from the American people, who are tired of reckless spending, and they are tired of endless debt, and they know a day of reckoning will come.

If the Senate adopts the legislation before us, it will send another clear message. It will send the message to investment firms and real estate partnerships: You have been punished for taking risks, you have been punished for creating jobs, and you have been punished for success.

To all other American entrepreneurs—the people we ought to be encouraging because these are the people who make the investments that allow companies to be started and com-

panies to grow and jobs to be created, but to all other American entrepreneurs, it will send the message that it may not have been you this time, but you are next. The next time the big spenders want more money to grow the size of the Federal Government, your company, your business, could be the next on the chopping block.

To global investors—and we know in a globalized economy there are people all around the world who have a lot of different choices as to where they want to start their business—unfortunately, to these global investors, it will send the message, if we pass this bill as written: America does not want your business. America does not want your business.

I cannot think of a more damaging, more destructive message to be sent by what we do here in the Congress than sending the message to global investors: We do not want your business here in America. That is because our economic rivals, other countries such as China and India, and others, offer a much lower tax and offer a much more welcoming environment when it comes to entrepreneurs and investors from a tax perspective.

To the 15 million Americans who are unemployed—15 million Americans, including the 472,000 who filed for unemployment claims for the first time last week—this legislation will send the message that Washington's priority is not in creating jobs. Washington's priority is to grow the government.

I do not think these are the messages we should be sending. I urge my colleagues to oppose this substitute amendment. We will have a chance to show the American people on which side we stand when we have the cloture vote on this bill tomorrow morning. Make no mistake about it, a vote for this bill will be a vote for killing jobs, for chasing away investment, for saying America is not interested in your business—at a time when Americans are suffering high unemployment and people are losing their homes because they cannot pay their mortgage payments because they have lost their jobs, with no end in sight.

Mr. President, I yield the floor.

EXHIBIT 1

AMS,  
June 15, 2010.

Hon. JOHN CORNYN,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR CORNYN: I am writing to you regarding an issue in H.R. 4213, now pending in the Senate, which proposes tax increases on Investment Managers that will interfere with job creation and our nascent economic recovery. Arterioocyte is a company that has dramatically benefited from private equity capital, and that investment has enabled us to rapidly grow our company. H.R. 4213 presents a significant risk of harming small companies like Arterioocyte and will reduce our future ability to finance our company's growth especially in today's economy where access to capital has otherwise dried up due to the fallout from the banking crisis that unfolded over the last two years. I strongly support the position that govern-

ment policy should encourage the investment in formation and growth of small companies, which are responsible for the greatest contribution to new job growth. H.R. 4213, if passed in its current form, will destroy the ability of startups to raise capital and will harm companies like Arterioocyte, by starving investment and reducing job creation.

Arterioocyte was started in 2004 to develop commercial stem cell based therapies created for patients "At Bedside". As a fast growing medical device company we are committed to providing innovative solutions to patients and medical professionals to address serious unmet medical needs particularly in cardiac, orthopedic and vascular surgeries. We have worked with DARPA on Advanced Theater Blood Pharming initiatives for forward military operations and currently we are active partners with the Department of Defense's Institute for Surgical Research at Fort Sam Houston to improve the surgical outcomes for blast-burn wounded soldiers including amputation prevention. Arterioocyte has benefited from private equity capital, and this investment has enabled us to make our company stronger. In late 2007 we were fortunate enough to receive a private equity investment from DW Healthcare Partners. Over the last two years, as a direct result of that investment, we have increased annual revenues to \$16 Million for 2010 (up 45% and 38% annually the last two years). We have grown from 6 employees to 70 across fifteen states. Our 2010 payroll for U.S. employees will exceed \$5.1 Million, and our average employee income exceeds \$72,000. We are one of the few U.S. based companies that have brought a multi-million dollar business, its technology and its manufacturing jobs back to the U.S. from Mexico. If not for our private equity investment, we would not have grown and we would not have hired 64 people. In fact, without that investment we likely would not be in business today.

H.R. 4213, now pending in the Senate, proposes tax increases on Investment Managers that will interfere with job creation and our nascent economic recovery.

Our company and our employees urge you and your colleagues to modify this bill to maintain private equity and growth capital incentives in this country. By changing the tax treatment of "carried interest" to ordinary income, H.R. 4213 would penalize entrepreneurial risk-taking and discourage investment in companies like ours that need capital the most. The pending legislation should characterize carried interest as a capital gain.

The House bill will make the United States less competitive globally. Virtually every other nation with which the United States competes treats carried interest as a capital gain and taxes it at rates ranging from 0% in India to 10% in China and 18% in the United Kingdom. The new tax rate contained in the House legislation will create a flight of capital from the U.S. that our nation cannot afford to lose as we seek to grow out of the recession.

Finally, the House bill would make investment partnerships the only businesses in America where the value inherent in the enterprise would be ineligible for long term capital gains rates if the overall enterprise or part of it is sold. If our team builds a successful business over decades, then we receive a capital gain on the value we create. It would be unfair and punitive to treat our private equity, real estate, and venture capital partners more harshly. These partners work just as hard as us to create value, and bring the best resource to create that value: capital.

Our company encourages you to do everything possible to ensure that the final

version of H.R. 4213 addresses these concerns and preserves strong incentives for investing risk capital in businesses like ours, by treating carried interest as a capital gain.

My executive team and I are available to provide you and your staff with more information about how Arterioocyte has benefitted from private capital.

Thank you for your attention to this matter.

Sincerely,

DONALD BROWN,  
Chief Executive Officer.

Mr. CORNYN. 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 ask unanimous consent to speak as in morning business for 20 minutes.

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

#### GOVERNMENT OVERSIGHT

Mr. WHITEHOUSE. Mr. President, we have watched with horror the unfolding disaster in the gulf. We have seen precious lives lost, hard-earned livelihoods hammered, treasured ways of life imperiled. We have seen the largest deployment of resources ever against an environmental disaster. We have seen astonishing corporate negligence.

But we have seen something else too—something that ought to be a lasting lesson from this catastrophe. We have seen the revolting specter of an agency of government subservient to—captive to—the industry it is supposed to regulate.

From the Minerals Management Service, which is supposed to regulate deep sea oil drilling, here is what we have seen.

From the 2008 inspector general's report on MMS's Royalty in Kind Program, based in Colorado: senior executives steering lucrative contracts to an outside company created by the executives; staff failing to collect millions of dollars in royalties owed to the American people and allowing oil and gas companies to revise their own multi-million-dollar bids; staff accepting gifts and money from oil and gas companies with whom the office was conducting official business; and staff participating in social events with industry representatives that included illegal drug use and sex.

From the IG report, the inspector general's report, released last month on the MMS office in Lake Charles, LA: the district manager telling investigators: "obviously we're all oil industry," employees accepting numerous gifts from companies doing business with MMS, including a trip to the 2005 Peach Bowl on a private airplane, skeet shooting contests, hunting and fishing trips, and gulf tournaments; an MMS inspector conducted four inspections while negotiating a job for him-

self with the company that owned those platforms, and finding—guess what—no violations during those inspections.

A 2007 inspector general report into the Minerals Revenue Management Office of MMS cited "significant issues worthy of separate investigation, including ethical lapses, program mismanagement, and process failures."

As my hometown Providence Journal wrote in a recent editorial:

The Deepwater Horizon accident has made it painfully clear that, in its current form, MMS is a pathetic public guardian. Neither it nor BP was prepared for a disaster of this magnitude, and MMS's cozy relationship with industry is a big reason why.

I agree with the Providence Journal.

The scope, the extent, the insidious nature of corporate influence in regulatory agencies of government—this question of regulatory capture—is something we should attend to here. It is the lesson, and it raises the question beyond the Minerals Management Service: How far does this corporate influence reach into our agencies of government?

The wealth of the international corporate world is staggering. The five biggest oil companies just this quarter posted profits of \$23 billion—that is a 23 with 12 zeroes behind it—in just one quarter. The Republican appointees on the Supreme Court just overturned decades of precedent and 100 years of practice to give these big corporations freedom to spend unlimited funds in our American elections. Put it to scale. Consider \$23 billion of pure profits just in one quarter by big oil, and compare: The Obama and McCain campaigns together spent about \$1 billion in the last election. Do the math. For 5 percent of one quarter's profits, big oil could outspend both American Presidential campaigns. That may be some politician's idea of a happy day because that is who they work to please, but it is wrong and it needs to be stopped.

But think, if that is what corporate influence could do in a national election, think of what those vast, powerful tentacles of corporate influence can do to a little government agency such as the Minerals Management Service: Revolving doors to lucrative jobs in the industry so you are set for life; sports tickets, gifts, drugs; constant, relentless lobbying pressure and threats of litigation; steadily inserting operatives in regulatory positions. Inch by inch, the tentacles of industry reach further and further into the regulator, until it silently and invisibly comes under industry control and becomes the industry's puppet, until it is serving the special interests and not the public interest.

This is no new phenomenon. Marver Bernstein wrote about regulatory capture more than 50 years ago. He explained that a regulator tends over time to "become more concerned with the general health of the industry and tries to prevent changes which will adversely affect it," to become "passive

toward the public interest." This, he said, "is a problem of ethics and morality as well as administrative method," and he called it "a blow to democratic government and responsible political institutions." Ultimately, this leads to what he called "surrender: the commission finally becomes a captive of the regulated groups."

If you don't want to go back half a century for a discussion of regulatory capture, look to last week's Wall Street Journal editorial page where a senior fellow at the Cato Institute writes:

By all accounts, MMS operated as a rubber stamp for BP. It is a striking example of regulatory capture: Agencies tasked with protecting the public interest come to identify with the regulated industry and protect its interests against that of the public. The result: Government fails to protect the public.

There is plenty of evidence that the oil and gas industry had captured MMS. When you have a captive agency, you get what we have seen: altering, deleting, or ignoring recommendations from government scientists.

A draft environmental analysis for drilling in the gulf from May of 2000 included the haunting prediction that "the oil industry's experience base in deep-water well control is limited," and a massive oil spill, "could easily turn out to be a potential showstopper for the" Outer Continental Shelf "program if the industry and MMS do not come together as a whole to prevent such an incident."

This unwelcome observation was deleted from the final analysis published.

Oil and gas company employees filling out official inspection forms in pencil for the MMS inspectors to trace over in pen; nearly 400 categorical exclusions, shielding even deepwater drilling from thorough environmental review. Cut-and-paste Environmental Assessments were provided by the oil and gas companies. BP's Environmental Assessment listed walrus as a species of concern in the Gulf of Mexico. There are not, and never have been in the memory of man, walrus in the Gulf of Mexico. When they are writing about walrus in the Gulf of Mexico, you know, No. 1, they are cutting and pasting out of documents in Alaska; No. 2, they are paying no attention to what they write because they know it doesn't matter; and, No. 3, they know perfectly well that MMS will never catch the fact that they have cut and pasted because they are not looking at it either.

MMS adopted wholesale for its oil and gas drilling "best practices" proposals of the American Petroleum Institute, and then they made most of those best practices only suggestions.

There has been virtually no enforcement. According to the MMS Web site, between 2000 and 2009, civil penalties averaged less than \$130 per well per year on our Outer Continental Shelf, and only three criminal referrals were made to the Department since 1990 in the last 20 years. Add it all up and

there is no real question: MMS was a captive regulator.

So the question is, After all those years of corporate control of government in the Bush years, how far-reaching is the insinuation of corporate influence? We know big PhRMA wrote the Bush pharmacy benefit legislation. We know big oil and big coal sat down in secret with Dick Cheney to write their energy policy. But down below the decks, down in the guts of the administration's agencies, how far were the tentacles of corporate influence allowed to reach? How many industry plants are stealthily embedded in the government, there to serve the industry, not the administration or the public?

Well, how is it looking? It is not looking good. The Securities and Exchange Commission, for instance, gave up its watchdog role years ago and became the lapdog of the big Wall Street financiers, raising leverage limits, refusing to investigate Bernie Madoff, and helping to precipitate the biggest financial disaster since the Great Depression.

Twenty-nine miners were killed in a West Virginia mine with a safety record that President Obama called "troubled." The Mine Safety and Health Administration has been described as a "revolving door" with industry, staffed by people with mining companies' interests at heart, even at the expense of worker safety.

The Bush head of MSHA, for instance, oversaw the rewriting of regulations in 2004 that allowed conveyor belt tunnels to double as ventilation shafts, a practice that contributed to a fatal 2006 Massey mine disaster.

Who knows how far it leads? Think of the timber rights the taxpayer gives up every year, the grazing rights, the multibillion-dollar contracts to big government contractors, the oil and coal leases on land, the carnival of public wealth at which these big corporations feed.

The vital question is this: Are these assets of our Nation still in the hands of servants of the Nation or have the servants of the Nation quietly and insidiously become the servants of the big private corporations that want to profit from that public wealth—corporations for whom every dollar of a sweet deal, every avoided expense allowed by a cozy regulator, every corner cut in safety or environmental protection, goes straight to their bottom line and right into their pockets. The big multibillion-dollar corporations, is this who we want safeguarding our national assets? Is this who we want controlling agencies of the U.S. Government?

Winston Churchill once said in a phrase I like that history turns on sharp agate points. What is the sharp agate point on which the history of this gulf catastrophe should turn? What lesson of history, if left unlearned after this disaster, are we condemned to repeat?

I hope the lesson we learn is this one: that we can never, never again let

agencies of the Government of the United States of America fall so under the influence of the corporations they are supposed to regulate.

This government of ours, founded in a revolution pledging the lives and fortune and sacred honor of those early patriots; this government of ours, which has raised for more than two centuries the promise of freedom in human hearts; this government that lifts its lamp aloft to brighten the darkness of chaos and despair in far distant corners of the globe; this government, whose finely tuned balance, crafted by the Founders, has seen us through Civil War and World War, through westward expansion and Great Depression, through the light bulb and the Model T and the Boeing 747 and the iPod; this government of ours, formed by Washington and Madison, Jefferson and Adams, and led by each of them, and later led by Abraham Lincoln and by Harry Truman and by Theodore Roosevelt and by Franklin Roosevelt and by John Fitzgerald Kennedy; this American Government of ours should never be on its knees before corporate power, no matter how strong. It should never be in the thrall of corporate wealth, no matter how vast.

This American Government of ours should never give the American citizen reason to question whose interests are being served. Never.

In this complex world of ours, government must protect us in remote and specialized precincts of the economy. In those remote precincts, few people are watching, but big money is made. We must be able to trust our government, both in plain view in front of us, and in corners far from sight, to be serving always the public interest, not doing the secret bidding of special interests, of corporate interests because that is where the big money is at stake.

Have we now learned, have we now finally learned, with the financial meltdown and the gulf disaster, the terrible price of all those quietly cut corners? Have we now learned what price must be paid when the stealthy tentacles of corporate influence are allowed to reach into and capture our agencies of government? I pray let us have learned this. Let us have learned that lesson. I sincerely pray we have learned our lesson and that this will never happen again. But let's not just pray.

In this troubled world, God works through our human hands, grows a more perfect union through our human hearts, creates a beloved community through our human thoughts and ideas. So it is not enough to pray. We must act. We must act in defense of the integrity of this great government of ours, which has brought such light to the world, such freedom and equality to our country.

We cannot allow this government that is a model around the world, that inspires people to risk their lives and fortunes to come to our shores—we cannot allow any element of this gov-

ernment to become the tool of corporate power, the avenue of corporate influence, the puppet of corporate tentacles.

I propose a simple device in this country of laws—not men, of rule of law—and that is to allow our top national law officer, the Attorney General of the United States, to step in and clean house whenever an agency or element of government is no longer credibly independent of the industries and businesses it is intended to regulate.

When a component of government is deemed no longer credibly independent of the corporations or industry it is supposed to regulate, I suggest that the Attorney General be allowed to come in and clean up, hire and fire and take personnel action to ensure the integrity of the personnel; to establish interim regulations and procedures to ensure the integrity of the process; to audit permits and contracts and ensure they were not affected by improper corporate influence, and if they were, to rescind them where they are not in the public interest due to that improper corporate influence; to establish an integrity plan for that component of government, all subject to appropriate judicial review where private rights are affected. Then the Attorney General can get back out, with his or her job done, sort of like an ethics trusteeship or receivership.

I will conclude by saying that the damage to America from the corporate takeover of the SEC was nothing short of catastrophic. Just in my State of Rhode Island, 70,000 Rhode Islanders are unemployed. Many have lost their homes, retirement, health insurance. The toll is devastating. The damage from the corporate takeover of the Minerals Management Service has also been catastrophic. Who knows what potentially catastrophic damage lurks in whatever other agencies of government that have silently succumbed to corporate takeover but just have not yet exploded in disaster.

If the financial catastrophe and the gulf catastrophe and whatever other catastrophes lurk have any meaning at all, it is that business as usual is no longer enough to stem the tide of corporate influence—insidious, secret corporate influence—in agencies of the U.S. Government. It is an institutional problem—relentless, remorseless, constantly grasping and insinuating corporate influence. It will never go away. It will only worsen as corporations get bigger and richer and more global, and there has to be an institutional mechanism in place to resist it so that it no longer takes a catastrophe to call the failure of governance of an American regulator to proper attention.

I think this is the right way. If a colleague has a better idea, I am more than willing to listen. But one thing I know is that after an economic catastrophe and this environmental catastrophe, this much, at least, is clear: We can no longer wait for catastrophes to

root out improper corporate influence in our government, in this government of our United States. We have to, at long last, address the problem of insidious regulatory capture of agencies of our government, captive to the industries they are supposed to regulate.

I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

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.

Mr. REID. Mr. President, I ask unanimous consent that the following be the next four amendments in order to the Baucus motion to concur, with each of the amendments in this agreement subject to an affirmative 60-vote threshold; that if the amendments achieve that threshold, then they be agreed to and the motion to reconsider be considered made and laid upon the table; that if they do not achieve that threshold, then they be withdrawn; that if there is a sequence of votes with respect to these amendments, then prior to each vote there be 2 minutes of debate equally divided and controlled in the usual form and that after the first vote, any succeeding votes be limited to 10 minutes each; further, that no intervening amendment be in order during consideration of these amendments: No. 4371, Casey; Coburn, No. 4331; Whitehouse, No. 4324; and that the Whitehouse amendment be modified with the changes at the desk. And the final amendment in this sequence is the LeMieux amendment No. 4300.

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

Mr. REID. Mr. President, I ask unanimous consent that the next speakers be Senator COBURN—does the Senator from Oklahoma have any idea how long he will be?

Mr. COBURN. A fairly short period of time.

Mr. REID. Senator CASEY, how long?

Mr. CASEY. About 10 minutes.

Mr. REID. Senator STABENOW?

Mrs. STABENOW. About 10 minutes.

Mr. REID. We need not do a consent agreement. Everybody can watch the clock on their own.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

AMENDMENT NO. 4331 TO AMENDMENT NO. 4369

Mr. COBURN. Mr. President, I call up amendment No. 4331 to the Baucus substitute.

The PRESIDING OFFICER. The clerk will report.

The assistant editor of the Daily Digest read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 4331 to Amendment No. 4369.

Mr. COBURN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. COBURN. Mr. President, at this time, I ask that the amendment be divided in the form I now send to the desk.

The PRESIDING OFFICER. The Senator has a right to have his amendment divided.

The Senator from Oklahoma is recognized.

Mr. COBURN. Mr. President, this is an amendment that will actually pay for everything we are doing. It does several things that the American people are demanding that we do.

It discloses the true cost of borrowing and spending that we actually do in this body.

It reduces the budgets of the Members of Congress. We had a 4.8-percent increase in our budgets. This is going to decrease that by less than a third, making us suffer with the rest of the country in terms of trying to get control of our massive debt and deficit spending.

It enacts what President Obama has been asking his own agencies to do: it takes 5 percent from all the agencies, except Defense and Veterans Affairs, and says: Cut that amount. The size of the agencies has doubled since 1999. We are asking the agencies to find 5 percent of efficiency within their agency to help us not continue to add trillions of dollars of debt to our children.

It eliminates nonessential government travel. It will save us \$10 billion over 10 years. It doesn't eliminate essential; it just says that when you can do a teleconference, you do that. You don't necessarily fly and take a hotel room when you can accomplish it another way.

It reduces unnecessary printing and publishing costs of government documents. That saves us \$4 billion over 10 years. Nobody reads these. They are all available online. If we get rid of the ones that don't have to be printed, we save hundreds of thousands of trees every year—which absorb CO<sub>2</sub>, by the way—but it also saves us \$4.4 billion by not printing stuff we all have on our computers already.

In working with the OMB, they are behind what we are trying to do in terms of unused and unneeded government property and government buildings. So what it does is it gives us \$15 billion in direct savings in revenue by getting rid of things that we are spending \$8 billion a year on maintaining that we are not using. So we save \$15 billion over 10 years, plus we get the savings of not having to maintain what we own but are not using.

We will sell unused and unneeded equipment. We have \$¼ billion worth just sitting there in warehouses. We are never going to use it, but it is sitting there. We can get good prices from the private sector that can go out and utilize this and put it to work.

It caps the total number of Federal employees. Why is that important? I am a supporter of our Federal employ-

ees. We had a speech on the floor today accusing those of us who want to limit the growth of the Federal Government in terms of employees and the size, saying we were against our Federal employees. We are not. What we are saying is that in a time when we are running a \$1.6 trillion deficit—that is what it will be this year; we said 1.4, but we have already borrowed \$200 billion more than that on this floor since February 12—we ought to be getting more productivity out of what we have, not because it is not the right thing to do—it is the right thing—but because we cannot afford to be lax in anything we are doing today. Every time we don't save a dollar, we are now charging that dollar to our children and grandchildren.

It puts a cap on the total number of Federal employees. There is plenty of flexibility within the Federal Government. The Federal Government has added 160,000 employees in the last 16 months. There are 441,000 for the census, but that doesn't count them. This is 160,000 full-time Federal employees in the last 16 months. How many more employees do we need? Can we afford more Federal employees at this time or should we get more with what we have?

We also put a temporary 1-year freeze on total salary. That doesn't mean people who work for the Federal Government cannot get a raise. They can. But they need to be more productive and recognized for it. But there should be no more automatic pay increases this next year because we are running a \$1.6 trillion deficit and also because the average Federal employee makes \$78,000 a year and has benefits worth \$40,000. The average private sector employee makes \$42,000 a year and has benefits worth \$20,000. Freezing that for 1 year will have a minimal long-term effect, especially when we saw today that we are actually in a deflationary period where the Consumer Price Index went down one-tenth of 1 percent. We had a nine-tenths of 1 percent decrease this year. So the cost of living is not going up; it is going down. All we are saying is, let's do this for 1 year and demonstrate that we understand the tough choices the public is making and that we are willing to make tough choices.

I agree, it is a tough choice. It is hard. But it does not mean that stellar employees cannot get raises. They can. That saves \$2.6 billion this year, for 1 year.

It collects unpaid taxes from employees of the Federal Government. We have employees of the Federal Government who owe \$3 billion. It directs a garnishee of those payments from the Federal employees. These are not disputed. These are not still under negotiation. These are things that have already been agreed to that are owed by Federal employees to the Federal Government. That gets us \$3 billion that we do not have.

We also have a section that excessive duplication and overhead within the Federal Government should be eliminated. Two easy examples: Across 60



different agencies, we have 70 different programs to feed people who are hungry. Why do we have 70? Why don't we have 7 or one? Not one of those 70 programs has a metric on it to see if it is effective in what it does.

We have 105 programs across seven different agencies that incentivize at the cost of billions of dollars a year people to go into math, science, engineering, and technology. Why do we have 105 programs? Why not one run by one set of overhead and one agency and measure the results? There are 640 other examples of duplication just like that in the Federal Government.

What this amendment says is we ought to be about eliminating that duplication. We ought to be able to increase productivity and also increase the results of the very programs for the people we are trying to help.

The other thing we do is we eliminate bonuses for contractors to the Federal Government who are not meeting performance requirements. That is \$800 million a year that your government is paying out to people who do work for the Federal Government who do not meet the minimum requirements for their contract, and yet we are paying them \$800 million in bonuses as if they were meeting the requirements of their contract. That saves \$8 billion over 10 years. None of us would do that with anybody who worked for us. Why do we allow the Federal Government to do that?

This government gives the United Nations 25 percent of its entire budget. But we also give voluntary payments to the United Nations. I just talked with Peter Orszag from OMB, and I am getting that report as we speak. It was due January 1. It is now mid to late June.

What we do is eliminate no more than \$1 billion more than what our obligations are in terms of peacekeeping or our dues to the United Nations. There are good reasons to do that. There was, with the last foreign appropriations, a requirement that the United Nations show us where our money is going. That got thrown out in conference. But we do not even know where the \$6 billion a year that we give to the United Nations is spent because they will not show us where it is spent. We would never tolerate that from any agency we fund. And yet we don't. We are saying do not give more than a billion more than that to the United Nations. We limit that. That is a \$10 billion a year savings.

Here is what we do know about the United Nations. In the peacekeeping money that we give, 45 percent of it is lost to fraud. Think about that. Forty-five percent of the \$3 billion that we give to peacekeeping operations is lost to fraud, documented. We found that one out by accident. They did not want us to find that out.

We ought to be good stewards with the money of the American people when it comes to contributing their money to the United Nations.

Returning excessive funds from an unnecessary, unneeded, unrequested, duplicative reserve fund that will never be spent: That is \$362 million. It is a one-time savings. It will never be spent. It is sitting there. We ought to take it back.

Rescinding unspent Federal funds: There is \$1.7 trillion sitting in accounts right now. Of that, \$690 billion has not been obligated for the future expenditure. We are saying move \$50 billion of that back into this year and use it to pay for things that are important, such as unemployment insurance, rather than borrow from our children.

Why is that important? If you have three bank accounts and each one had \$100 in it and you had to write a \$200 check, you would go to the accounts you had and write the check from the two accounts so you could pay the check. This money is rolling out there to the tune of \$600 billion every year that is not obligated.

Common sense would say we would be more efficient with our money rather than paying interest on that money. We would use it in a more timely fashion. Everybody does that except the Federal Government. We ought to be doing it as well.

Reducing wasteful costs at the Department of Energy. The Department of Energy is supposed to be setting the example for this country on energy efficiency. They are the worst agency as far as energy costs and efficiency in energy. All we are doing is you follow the rules you have set for everybody else. It saves \$13.8 million per year. That is just one agency following the rules they have told every other agency to follow.

Finally, we strike the new taxes that are in this bill because we do not need to pay for them because we can cut spending somewhere else. The last thing we need to be doing, as we have the threat of a double-dip recession, is taking more private capital out of the economy and putting it into government because the multiplier effect of government spending is very low. Private spending multiplier effect is about 1.5. That means for every dollar you spend, you end up generating about \$1.5 in economic activity. For every government dollar that is spent, you generate \$1.1 in economic activity. The last thing we ought to be doing is raising taxes. I don't care where it is in this economy. It is so precarious that we need private capital being invested to create jobs and opportunities for jobs in this country.

I have listed the vast majority of provisions that are in the bill. I will be back to discuss each one individually.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

AMENDMENT NO. 4371 TO AMENDMENT NO. 4369

Mr. CASEY. Mr. President, I ask unanimous consent to call up amendment No. 4371 to amendment No. 4369 proposed by Senator BAUCUS.

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

The clerk will report.

The assistant editor of the Daily Digest read as follows:

The Senator from Pennsylvania [Mr. CASEY], for himself and Mr. BROWN of Ohio, proposes an amendment numbered 4371 to amendment No. 4369.

Mr. CASEY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide for the extension of premium assistance for COBRA benefits)

At the appropriate place in the amendment, insert the following:

**SEC. —. EXTENSION AND IMPROVEMENT OF PREMIUM ASSISTANCE FOR COBRA BENEFITS.**

**(a) IN GENERAL.—**

(1) EXTENSION OF ELIGIBILITY PERIOD.—Subsection (a)(3)(A) of section 3001 of division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), as amended by section 3(a) of the Continuing Extension Act of 2010 (Public Law 111-157), is amended by striking “May 31, 2010” and inserting “November 30, 2010”.

(2) RULES RELATING TO 2010 EXTENSION.—Subsection (a) of section 3001 of division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), as amended by section 3(b) of the Continuing Extension Act of 2010 (Public Law 111-157), is amended by adding at the end the following:

“(19) ADDITIONAL RULES RELATING TO 2010 EXTENSION.—In the case of an individual who, with regard to coverage described in paragraph (10)(B), experiences a qualifying event related to a termination of employment on or after June 1, 2010, and prior to the date of the enactment of this paragraph—

“(A) paragraph (2)(A)(ii)(I) shall be applied by substituting ‘6 months’ for ‘15 months’; and

“(B) rules similar to those in paragraphs (4)(A) and (7)(C) shall apply with respect to all continuation coverage, including State continuation coverage programs.”.

(3) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the provisions of section 3001 of division B of the American Recovery and Reinvestment Act of 2009.

**(b) ELIMINATION OF ADVANCE REFUNDABILITY OF EARNED INCOME CREDIT.—**

(1) IN GENERAL.—Section 3507, subsection (g) of section 32, and paragraph (7) of section 6051(a) are repealed.

**(2) CONFORMING AMENDMENTS.—**

(A) Section 6012(a) is amended by striking paragraph (8) and by redesignating paragraph (9) as paragraph (8).

(B) Section 6302 is amended by striking subsection (i).

(3) EFFECTIVE DATE.—The repeals and amendments made by this subsection shall apply to taxable years beginning after December 31, 2010.

Mr. CASEY. Mr. President, Senator BROWN of Ohio and I have offered this amendment which will extend the eligibility period for the COBRA Premium Assistance Program until November 30. We appreciate the support of many Senators—Senators FRANKEN, STABENOW, REED, LEAHY, AKAKA, BEGICH, WHITEHOUSE, LAUTENBERG, KERRY, WYDEN, HARKIN, LEVIN, BURRIS, the Presiding Officer, GILLIBRAND, KAUFMAN, SPECTER, MENENDEZ,

MERKLEY, SCHUMER, MIKULSKI, DODD, DURBIN, MURRAY, SHAHEEN, ROCKEFELLER, and BOXER. All are cosponsors of the original amendment we offered the other day, first offered by Senator BROWN and me as an amendment to Senator BAUCUS's original amendment.

I thank Senator BAUCUS, the Chair of our Finance Committee, for his very hard work on this bill. We are nearing the end. We are working very hard to complete this bill.

As we do that, we are also mindful that we are recovering from this economic recession. We must continue, in my judgment, to support vital safety net programs that our citizens need to support their own families.

The national unemployment rate now stands at 9.7 percent. That translates in Pennsylvania into more than 584,000 people out of work. We got a report today that across the country, jobless claims are going up, unfortunately, after having gone down for a number of months. The economy is showing improvement. We are recovering. Jobs are being added every day. But certain industries are experiencing layoffs, and that is why we must continue this program to ensure that Americans have access to quality health care, especially those who have lost their jobs.

Without the extension of the COBRA Premium Assistance Program, a report from the National Employment Law Projects predicts as many as 150,000 Americans each month will lose out on the subsidies necessary to afford quality health care.

In the Senate, we do not have to worry about health care. We have both job security and health care that millions of Americans do not have today.

Today we received a report from the Treasury Department which outlines important information on the success of the COBRA Premium Assistance Program. The report is entitled "Interim Report to The Congress on COBRA Premium Assistance." It is dated June 2010 from the Department of Treasury. I commend this report to my colleagues.

In the report, it states that over 2 million households in America have benefited from the COBRA Premium Assistance Program. In Pennsylvania, that means over 100,000—107,311—Pennsylvania households have benefited from it. That is 2 million households across the country were able to afford quality health care while they were searching for a job. Millions of Americans had one less thing to worry about—their health and the health of their family—while they searched for that job.

In very brief form, I wish to highlight a section from the report that talks about how this program actually works, and many Americans understand this. I am quoting from page 2:

Workers eligible for COBRA premium assistance send a premium payment to their employers, plan administrators, or insurers for continuation coverage.

Because of the Recovery Act we passed in 2009, those individuals pay only 35 percent of the premium. Then, of course, the employers are allowed a credit against their payroll taxes for the remaining 65 percent. That is how it works. It works well, and it has shown results, according to this new report from the Treasury Department.

The total cost of this program in 2009 was \$2 billion. However, the score that the Congressional Budget Office gave it originally back in 2009 was \$16 billion. They predicted \$16 billion; it cost but \$2 billion. Of course, in 2009, we had a tremendously high job loss compared to this year.

That cost is going to go significantly down. Part of the reason for being so much cheaper is the efficiency of administering this program. The Treasury report I referred to states that the total cost to administer the program, with three Federal agencies involved, was \$8 million—.5 percent of the cost of the overall program. Based on the Treasury report, it is obvious this program is both effective and efficient and has assisted millions of Americans.

In addition to ensuring quality health care, the program is a lifeline for Americans across the country. I received a letter back in March from a woman in Pennsylvania, Lisa. I will not give her name and address. I do not have permission. But I want to highlight her personal situation without identifying her. I am quoting a pertinent part in her letter. She said:

I have been receiving chemotherapy nearly every other week for the past 18 months—

After being diagnosed in 2008.

The treatments were covered by my COBRA benefits and has kept me alive. I must continue chemotherapy but ran into a problem when an extension of my COBRA coverage was denied.

Lisa in Pennsylvania speaks for hundreds of thousands, if not millions, of Americans when she tells us what this program means to her. It is, in fact, a program which has kept her alive, to use her words, not mine. That is what this is about. It is about real life. It is about real families who are living through the double nightmare—the horror of losing a job and then being hit over the head again by losing their health care coverage.

There are countless stories similar to Lisa's across the country, and many of us have heard these stories. These stories relate to how COBRA, including this premium assistance program itself, gave people hope in the midst of despair from losing a job and also losing health care coverage.

So I would encourage my fellow colleagues in the Senate to support the amendment that Senator BROWN of Ohio and I have introduced, which includes an offset to the extension of the program so it is paid for.

With that, Mr. President, I yield the floor.

THE PRESIDING OFFICER. The Senator from Michigan is recognized.

MS. STABENOW. Mr. President, first I thank my friend from Pennsylvania

for his leadership and passion on this issue, and I am very pleased to join him in this amendment. I also thank the chairman of the Finance Committee for many hours on this floor working very hard to put together this very important jobs bill that we need to get done as quickly as possible.

I want to spend a few moments talking about the gulf and what has happened and what it more broadly represents—both in terms of what is happening on the Senate floor and in our country.

When I flip on the television and see what is happening in the gulf, like all of us, I know this truly is a tragedy. To see the workers who have lost their jobs, who can't go out on their fishing or shrimping boats, who haven't seen any tourists come their way in over a month; to see the environmental devastation, I know it is a terrible crisis that is testing our Nation and our government. The Obama administration inherited a perfect storm—an oil company known for a history of egregious safety violations, being given permits to drill a mile down under the ocean with no credible public oversight, and a public agency that believed oil companies should basically police themselves, even if there was a risk to American families. That is what they inherited.

The tragic events in the Gulf of Mexico started with an explosion that killed 11 workers onboard an offshore oil rig operating in waters deeper than it had ever operated before, with technology that wasn't designed for drilling that deep. It happened because the company operating the oil rig took risks with the lives of the workers. They cut corners, and they ignored the interests of millions of Americans in the gulf who would be affected by their actions.

This is a tragedy that was allowed to happen by an agency that was transformed by 8 years of Republican policies urging them to look the other way, an agency whose employees thought they worked for the oil industry rather than the American people, an agency that allowed the oil industry to fill out their own inspection reports.

There was a belief articulated by a current Republican Senate candidate who said it was un-American for President Obama to criticize BP.

Well, I don't think it is un-American for our President to stand up for the men and women who work in the Gulf of Mexico, whose livelihoods and lives have been jeopardized by this catastrophe. We are seeing millions of barrels of oil being spilled into the waters—waters that are owned by the American people—and I think it is the duty of the American President to make sure BP cleans it up and does everything possible in the gulf to make the people whole.

Just this morning, during an ongoing Congressional hearing, we heard another example of this belief in the words of a senior Republican House

Member who apologized—apologized—to BP for the President's actions in demanding that BP set up a fund to reimburse the losses of local small businesspeople and families in the gulf and for their tremendous hardships caused, I might add, by BP. This Congressman called it a shakedown, a slush fund. Mr. President, I call it leadership and standing up for the American people. That is his job, and that is our job as well.

But there is a larger issue represented in this disaster. Public accountability and commonsense regulations do matter. That is our job as well. My colleagues know that as a Senator from Michigan, there is no one who will fight harder for the auto industry than myself. But even while I will fight tooth and nail—and I have—for this industry and the success of this industry, I still support safety regulations.

When I put my grandkids in a car, I want the car to have seatbelts and airbags, and I want to make sure that automobile has gone through a rigorous crash test. Our economy and our quality of life depend on vibrant successful businesses, but our quality of life also depends on public accountability, on commonsense regulations to protect the health and safety of our families.

Someone has to stand and protect the water and the air we breathe. Someone has to stand for our children and for our elders. Someone has to stand for the safety of workers—the 11 workers who were killed on that rig or the 29 workers who were killed in the mine collapse in April or the millions of fishermen and shrimpers and tourism workers whose livelihoods are at risk today on the gulf coast.

When we look at our record in this Congress, we have seen this same debate played out time and time again. Even this week, two different beliefs, two different sets of values. The first bill that President Obama signed into law was named after a woman named Lilly Ledbetter—the Lilly Ledbetter Fair Pay Act—to require equal pay for equal work. On that very first bill, we saw two different views and beliefs: the Republican view that essentially said corporations should be able to discriminate against women or people with color if they choose to and on our side we stood with a woman, Lilly Ledbetter, who for years had gotten paid significantly less than her male coworkers for doing the exact same job just because she was a woman. We passed that bill, and it was signed into law so that women, so that people of color would not have to go through that in the future. We happen to believe in fair play. We happen to believe in equal pay for equal work.

Then there was the Recovery Act. There, again, we saw a very big difference. After the biggest bailout of Wall Street in the history of our country, on one side was a belief that government shouldn't get involved to help

the American people hurt by the financial crisis in the face of the worst economic crisis since the Great Depression; that the proper course would be to sit back and let the economy fix itself, even though those who caused the financial crisis were, in fact, being helped. Never mind that millions of people who used to live comfortable middle-class lives lost their jobs, their entire life savings and their homes to a bunch of traders on Wall Street who made some bad deals with no public accountability.

But we believed something different, Mr. President: that when the economy is on the edge of a cliff and millions of middle-class families have been hurt due to no fault of their own, you don't just sit back and hope for the best. That is not leadership; you do something. So we passed a historic Recovery Act focused on the American people—focused on jobs, on helping small businesses grow by building clean energy technology, schools, bridges, and roads—and making investments in our future and, yes, helping people who had been caught in that economic tsunami so they could keep the lights on at home and have a roof over their head and take care of their families.

When President Obama took office in January of 2009, we were losing 750,000 jobs a month. Today, thanks to this Recovery Act and other work done here, we are creating jobs. It is not as fast as I would like, certainly coming from Michigan, where we have been hit harder than anyone else, but we are moving in the right direction. It wouldn't be the case if we had done nothing last year.

We heard for years that Wall Street needed less regulation, more freedom to innovate, and for nearly a decade there were policies in place that took a hands-off approach. What we saw was an over-the-counter derivatives market that grew to be worth over \$500 trillion, completely in the dark, completely unregulated, with no oversight and no transparency. There were many people who thought this was great. Here was an example of a market with no public oversight at all, and it was making money hand over fist.

Then the bubble burst, and it turned out the whole thing was smoke and mirrors. Because there was nobody there speaking out for the American public, it was the American families who paid the price, and we paid a heavy price. That is why we recently passed Wall Street reform, and we need to get it to the President to create public accountability and commonsense regulation to protect investors and consumers. That is our job.

We passed a bill to give consumers the power to get their mortgages modified so they could stay in their homes and prevent foreclosures from emptying out entire communities. We also passed a law giving new tools to law enforcement and prosecutors to help them crack down on mortgage fraud and securities fraud. On each and

every issue our Democratic majority has been fighting for the people of this country. Our Republican colleagues believe and have expressed—and I assume this is sincere—that the old policies of deregulation and no public accountability are better. They believe that large corporate interests—mining companies, oil companies, Wall Street, big banks—should police themselves and things will be OK.

But for the 11 workers on the oil rig in the gulf and the millions of people who live in that region of our country, those policies just didn't work. For the 29 miners who lost their lives in West Virginia, those policies just didn't work. For the millions of Americans who lost their jobs or their life savings because of Wall Street's recklessness, those policies just didn't work. I can't believe the American people want to go back and relive all of that again. I certainly don't.

When President Obama took office, we saw the wreckage left behind after 8 years of deregulation and, frankly, it was time to put people first. So that is why we got to work. From day one we have seen unprecedented obstruction—the Republican leadership using every trick in the book to stop us from making the changes the American people want. But we have kept on fighting, we have passed now 242 bills, 175 of them signed into law to move our country forward.

Frankly, though, this isn't about numbers. Numbers don't matter. What matters is whether things are getting better for people. But let me just review some of what has been put in place to begin to turn things around.

The Recovery Act I mentioned to focus on jobs, the expansion of health insurance for children so that working moms and dads can know at least the kids are going to be able to see a doctor, protection of our public lands and national parks so our kids and grandkids can enjoy our beautiful land and our beautiful parks in this country, credit card reform, veterans health care so our troops coming home get the care they need and the care they deserve, that is the least we can do.

We have increased support for our disabled veterans. We have enacted tobacco regulation to keep our kids from smoking. We have stood up to the tobacco industry on behalf of our children's health. We also passed the Serve America Act to support our young people and seniors and help get them involved to give back to the community—a very important value that we believe in as Americans. We also passed an FAA bill to modernize our air traffic control systems so that we have safer air travel; a national Defense bill that gives a pay raise to our men and women in uniform, which is the least we can do, and that helps our veterans who don't have a home; a jobs bill to help our small businesses expand and local communities have the tools they need to create jobs; a health care bill that saves families money, makes sure

that every family can have a family doctor and improve the quality of care in this country; student loan changes to stop subsidies to banks and putting more money into making sure students can get some help to go to college and that it costs less so they can afford to go; and major financial industry reform so we never see another Wall Street bailout.

As I said, we know none of this matters if you do not have a job and if you are fighting to keep your home. We have to make sure that all of this—and we are working hard to make sure—adds up to real improvements in people's lives and economic security.

We are beginning to see things turn around because we have changed the values, we have changed the priorities back to what is best for the American people, what is best for middle-class families—the people we all talk about who are playing by the rules and want to know they will have a fair shot to be able to care for their families and be successful.

At every issue we run into roadblocks and opposition from the other side because they believe—and I believe it is an honest belief; we hear it over and over again—that more tax cuts for wealthy Americans and less regulation is always the answer. If that were true, given what has happened in the former administration when they controlled the House and Senate and the White House, things would be great. I wish things were great. But that view has not worked for the majority of Americans.

Today, every American with a television set can see the results of those beliefs. We had 8 years of that and we cannot go back. But this is not only about the past, it is also about the differences we debate every day in the Senate. It is about this week, last week, and I am sure next week. It is about the future. We need someone to be a check on the mining and the oil and the banking industries. We need commonsense regulators who do not think they work for the industry they are supposed to oversee. That is what this new administration is about and what we are about. We have to hold companies accountable when they ignore the rules and put the public or their workers at risk. We have to move America forward and continue making the changes this country needs. That is what we have been fighting for. That is what all of the actions we have taken have been about. That is what we will continue to do.

But it is not about growing the government. We know that overregulation is not the answer either. But we want the government we have to work. That is the question: Who should our government work for? The special interests, those with great wealth and power, or families working hard to make ends meet and hold onto the American dream—small businesses and entrepreneurs with a great idea; people who want to know that the rules are fair for

them, that if they work hard they will be able to have a job and they can be successful in our economy; families who want to know that somebody is making sure the rules protect their 401(k), their pension, their savings; that they can drink the water and breathe the air and eat the food they buy without getting sick.

We all want to be able to trust that the safety rules are enforced. If you or a loved one work on a mine or on an oil rig—or if you are getting in the car to take your kids to a soccer game—we all want to trust that when you get permits to drill in our precious waters, we will be looking out for the fishing jobs and our Nation's tourism industry and that we will not allow risky drilling without strong, commonsense regulation and accountability.

Our country cannot afford to go back to the previous beliefs that created the crises that President Obama and this Congress have been forced to deal with every day. We believe, the majority believes, it is our public responsibility to be on the side of the American people and that is what each of these legislative battles here in Congress is all about.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

UNANIMOUS-CONSENT REQUEST—S. 3347

Mr. VITTER. Mr. President, I welcome following my distinguished colleague from Michigan and her impassioned plea against obstructionism. I have been facing the same challenges in particular with certain programs that are absolutely crucial for Louisiana but more broadly for the country. One that is absolutely important for all of us in Louisiana is the National Flood Insurance Program. It is a national program. It is important for our economy. It is important for the real estate industry. It is important for homeowners and closings around the country, for economic activity to move forward, particularly when we need every bit of economic activity in these tough times of recession. But it is really important in Louisiana. We face enormous flood threats so it is important there.

Unfortunately, the extension of the present National Flood Insurance Program—which everyone, as far as I know, supports—is being held hostage, essentially, in this extenders bill. I have been trying to pry it loose from that so we can extend the program, not let it expire as it has expired—it expired June 1; it is not in operation today—get it back in place, get it fully extended through the rest of the calendar year.

I would have thought this would be a “no brainer,” this would be consensus, this would not be partisan. It should not be. This is a simple extension of the National Flood Insurance Program. What is more, this extension does not create any additional deficit. Obviously, a big part of this debate about this larger bill on the floor is about in-

creasing deficit spending. Lots of folks, including me, have real concern about that. I think that is a legitimate concern that all of us have at some level. This extension does not increase the deficit at all.

I came to the floor before the Memorial Day recess because I saw this train wreck coming. I asked unanimous consent to simply extend that National Flood Insurance Program with no deficit impact, extend it by unanimous consent until the end of the year.

The distinguished majority leader, Senator REID, objected. I tried to engage in a meaningful debate, because I think the American people deserve it, about what is wrong with the program, what is wrong with the extension, what is wrong with the proposal. It has no deficit impact.

The silence from the distinguished majority leader was deafening. He objected because he could object. That is his right—no explanation, no justification.

The result has been the train wreck I was trying to avoid. The program expired on June 1. The program is not in place today. That is stopping and making a lot more complicated real estate closings—people trying to buy their first home, people trying to buy another home. Lord knows we need every real estate closing we can get to happen in this economy. We cannot create unnecessary barriers to that when we are trying to come out of this real-estate-led recession. Yet this majority, this Senate, this Congress let that absolutely crucial National Flood Insurance Program expire June 1. So here we are again.

My plea is the same. Everyone, as far as I know, supports the extension of the National Flood Insurance Program which is now expired. Everyone, as far as I know, says, rightfully, that it is a necessary program. We need to reinstate it to get the economy humming again, to make these real estate closings easier and not harder, to help recovery, not hinder it. And everybody admits, including the Congressional Budget Office, there is zero deficit impact with this extension. It is a clean extension. It does not increase the deficit in any way.

Let's do the right thing. Let's extend that. Let's not make something partisan which should not be. It is not an ideological difference. Many members of our community—homeowners, folks in the real estate sector—strongly support this effort. In that vein, I ask unanimous consent to have printed in the RECORD this letter from 22 trade associations, including the National Association of Realtors and many others strongly in support of this sort of stand-alone extension of the program.

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

JUNE 15, 2010.

TO ALL MEMBERS OF CONGRESS: On behalf of our organizations, we want to share with you our respective memberships' frustration

with the fact that Congress, on May 31, 2010, again allowed the National Flood Insurance Program (NFIP) to expire—the third time this year. We urge you to immediately reauthorize the program.

Five and a half million taxpayers depend on the NFIP as their main source of protection against flooding, the most common natural disaster in the United States. Without flood insurance, no federally-related mortgage loans may be made in nearly 20,000 communities nationwide.

The frequent lapses in the NFIP program are undermining homeowner and commercial property owner confidence in this vital program. Given the fragile state of residential and commercial real estate markets, Congress should take immediate action to restore confidence in the NFIP through a long-term, stand-alone extension.

The NFIP is critically important to American citizens and the U.S. economy. We urge you to immediately approve a reauthorization and extension of the NFIP and avoid exacerbating the uncertainty for taxpayers who rely on the NFIP to insure residential and commercial properties.

Sincerely,

American Escrow Association; American Insurance Association; American Land Title Association; American Resort Development Association; Building Owners and Managers Association; CCIM Institute; The Chamber Southwest LA; Credit Union National Association; Financial Services Roundtable; Greater New Orleans, Incorporated; Independent Community Bankers of America; Independent Insurance Agents and Brokers of America; Institute of Real Estate Management; Mortgage Bankers Association; National Apartment Association; National Association of Federal Credit Unions; National Association of Home Builders; National Association of REALTORS®; National Multi-Housing Council; National Association of Mutual Insurance Companies; Property Casualty Insurers Association of America; The Real Estate Roundtable.

Mr. VITTER. Mr. President, the letter truthfully says—it is very simple:

The frequent lapses in the National Flood Insurance Program are undermining homeowners and commercial property owner confidence in this vital system. Given the fragile state of residential and commercial real estate markets, Congress should take immediate action to restore confidence in the National Flood Insurance Program through a long-term, stand-alone extension.

That is what my stand-alone bill is. It is not complicated. It is not controversial—should not be. Not partisan—should not be. It doesn't increase the deficit in any way, shape or form—not by a penny.

Again, I will ask what I asked before the Memorial Day recess, trying to avoid this train wreck which has now happened for over a couple of weeks.

I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 372, which is my bill, S. 3347, a bill I introduced that extends the National Flood Insurance Program through December 31, 2010; that that bill be read a third time, passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER (Mr. FRANKEN). Is there objection?

Ms. STABENOW. Mr. President, reserving the right to object, let me say

I very much understand and appreciate the concerns of the Senator. This is in the bill we have in front of us today that we hope will be passed today. The complete language is in the bill. I understand his concern. I feel the same about extending unemployment benefits which usually is overwhelmingly supported on a bipartisan basis but has been held up as well. I have been in the same situation on that. To me it is a “no brainer.” I would love to see that extended as well. I would have loved to have seen that extended a month ago. But the reality is these items have been put together in a package and we will have the opportunity, hopefully later today or tomorrow, to vote on that. So on behalf of the leader, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. VITTER. Mr. President, again, I think it is a shame. If the distinguished Senator from Michigan wants to propound a UC to separate unemployment insurance, I will support that. I will not object. I think it is a good idea. I think we need to come together around things on which we agree. I think those things are and should be bipartisan and we should not bend over backwards to somehow make them partisan in this silly game. So I would support that unanimous consent request. I am sorry she cannot, at least on behalf of the leader, support mine.

I understand it is part of the larger bill. It was 2½ weeks ago and that is exactly why the program lapsed on June 1—because it was part of the larger bill and that larger bill was not going to pass then, did not pass yesterday, probably is not going to pass today.

In the meantime, it is not some theoretical bill that is being held hostage. It is American citizens who are being held hostage. It is first-time home buyers who are being held hostage. It is people in the real estate industry who need every darned closing that they can close who are being held hostage. It is not right. It is politics ahead of people, purely and simply.

I am very sorry that again the majority leader has rejected this simple idea. I will keep making the request because this program has now lapsed. It has not existed since June 1 and that is hurting people and that is hurting the economy.

I would like to move on to another aspect of this bill which is hurting people, which is particularly offensive to me, representing Louisiana. This is only getting worse in terms of this bill going from one version to another; that is, the aspect of this bill on the Senate floor that pertains to the Oil Spill Liability Trust Fund.

I represent Louisiana. More importantly, I live in Louisiana. I am all for oilspill cleanup. If there is anybody in the world who is for that, nobody is for it more than folks in Louisiana for obvious reasons. I am for a healthy and vibrant Oil Spill Liability Trust Fund.

That trust fund has to be increased and grown. And lots of things about the Oil Pollution Act are clearly outdated. I have put forward proposals to update those, but unfortunately that is not what is going on.

In this bill, there was initially an increase in the tax into the Oil Spill Liability Trust Fund from 8 cents a barrel to 41 cents a barrel. That is over a five-times increase. Now, if that was needed for oilspill cleanup and was going to be used for oilspill cleanup, I would be the first to say, great. The problem is, it was stuck in this bill not for that reason at all but to be stolen—that money to be stolen and used for other spending. As soon as that money went into this so-called trust fund, it was going to be grabbed out and used for completely unrelated spending, nothing to do with any oilspill.

I had an amendment on the floor, and the amendment was very simple. It did not disrupt the tax increase—did not touch that. It simply said that anything going into the oil fund has to be used to clean up oilspills—radical idea—and No. 2, anything going into the Oil Spill Liability Trust Fund cannot be used as an offset, double-counted—Enron accounting to mask, to hide other deficit spending, which is going on in this bill.

Unfortunately, that amendment was defeated. But we had a good vote, quite frankly. I want to note and thank the Democratic majority chairman of the Budget Committee for voting yes on that. I think he voted yes because of the simple reality of what I am saying. That money should only be used to clean up oilspills. That money should not be double-counted, should not be used in Enron accounting to offset, to mask other completely unrelated deficit spending.

In the new version of this so-called extenders bill recently unveiled, unfortunately we are going from bad to worse because they just increased the tax from 41 cents to 49 cents. Originally, it was 8 cents, and it jumped to 41 cents—that is over a fivefold increase—and now to 49 cents. Between those two versions of the bill, we actually had President Obama meet with BP and set up a huge escrow fund to make sure BP, as the responsible party of the ongoing spill, pays for everything, as they absolutely should do. So in between the 41-cent version of the bill and the 49-cent version of this bill, we set up this escrow fund to ensure, as we should, that BP pays for everything.

So the increase has nothing to do with the real crisis in the gulf; the increase has to do with politics in Washington because that first version of the bill did not get the votes because it had too much deficit spending. So what do we do? We are going to steal more. We are going to offset more out of the Oil Spill Liability Trust Fund. And that is why it went up again, from 41 cents to 49 cents.

Well, I have to say that I find all of that pretty darn offensive. We have a

real crisis in the gulf. It is an ongoing crisis because the flow is not stopped. Rather than deal with that real crisis through action, some folks up here are using and abusing that crisis to advance their own agenda—deficit spending, unrelated spending—through politics. I think that is wrong. I think it is wrong in a pretty raw way, and I find it offensive. And I say that on the Senate floor. It is going from bad to worse. We are now, under the current proposal, stealing even more from the Oil Spill Liability Trust Fund, using it even more to mask other unrelated spending. We have a real crisis on our hands. Let's address it. Let's not use and abuse it politically.

I yield the floor, and 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. LEMIEUX. I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 4300 TO AMENDMENT NO. 4369

(Purpose: To establish an expedited procedure for consideration of a bill returning spending levels to 2007 levels)

Mr. LEMIEUX. I send an amendment to the desk, No. 4300, and I ask that it be called up.

The PRESIDING OFFICER. The clerk will report.

The assistant bill clerk read as follows:

The Senator from Florida [Mr. LEMIEUX] proposes an amendment numbered 4300 to amendment No. 4369.

Mr. LEMIEUX. I ask unanimous consent that the reading of the amendment be dispensed with.

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

(The amendment is printed in the RECORD of June 7, 2010, under "Text of Amendments.")

Mr. LEMIEUX. I have offered amendment No. 4300 today. It is a piece of legislation in which Senators WICKER, RISCH, and GREGG have joined me. It is called the 2007 Solution.

The No. 1 problem facing this country is our out-of-control spending. It is to a point where it is unsustainable.

I am new here to the Senate. I came last September. My background is in business as well as in State government in Florida. In both of those venues, I had the responsibility, both in chairing a business I helped to run as well as being the Governor's chief of staff in Florida, to make sure ends met. In the business I worked in, I would look at receipts, and we could only spend as much money as we took in. In State government, we had a balanced budget requirement. We had a balanced budget requirement in Florida.

When the economy went bad in 2007, when I was the Governor's chief of staff, I would be on the phone with the budget people almost weekly moni-

toring how much money was coming in because I knew we could only spend as much as we had. We had three choices if revenues declined: We could raise taxes, we could cut spending, or we could find a new source of revenue. We did not have the option of spending money we did not have.

So I always knew there was a problem in Washington when Washington did not understand those basic dynamics that families in Florida and around the country had to deal with in terms of making ends meet, the same decisions families make around their kitchen tables to decide: Well, we cannot afford it this month, so we are going to have to put it off until next month or we are going to have to cut down on some of this spending so we can make sense of our fiscal house. I knew that didn't happen in Washington, but I never knew the degree to which it did not happen.

When I came here and was sworn in in September of last year, the national debt of this country was \$12 trillion. That is a staggering amount, and it is a number that is hard for us to get our brains around.

One trillion—what does it mean? Well, 1 trillion is 1,000 billion—\$1,000 billion—and 1 billion is 1,000 million. Just to put it into some perspective, if you took dollar bills and put them on the floor and laid them side by side, \$1 million would cover two football fields; \$1 billion would cover Key West, FL—3.4 square miles of one-dollar bills carpeting Key West, FL; \$1 trillion would cover Rhode Island twice. If you stacked 1 trillion one-dollar bills on the ground up to the sky, it would go 600 miles into the sky.

When I came here in September, this government owed \$12 trillion in money that it shouldn't have spent in the past, that it couldn't afford to spend, and it was carrying that debt. That was bad enough, but time has elapsed and now we are in June of 2010, and now the national debt is \$13 trillion. The debt has gone up \$1 trillion in less than a year's time. It took 200 years for this country to amass its first trillion dollars in debt, and we just did another trillion dollars in less than 1 year's time.

Right now in our budget, we spend \$200 billion a year paying interest on the debt. That is on expenditures we shouldn't have made in the past—\$200 billion. At our current rate of spending, as projected by the White House, by the end of this decade we will spend \$900 billion a year just making interest payments on debt. By 2020, it is estimated that our debt, our national debt, will not be \$13 trillion, it will be \$25.7 trillion. And when we get to that point, our country is going to fail. This is not just a problem for our children or our grandchildren, it is a problem for all of us. And \$900 billion is more than we spend fighting both wars and all of the expenditures for the Defense Department right now. And we are going to be paying that just in interest?

Perhaps most troubling of all is this fact: Today the money we take in in revenues is only enough to cover Social Security, Medicare, and Medicaid—the entitlements. Every other dollar we spend for every other function of government—from the men and women who keep us free and safe in the military to the FAA that guides your plane, to the roads you drive on, to the Department of Labor, the Department of Commerce, the Department of Agriculture—every other function of government is borrowed. It is unsustainable.

I am new enough to Washington to not think this is normal. This still seems bizarre to me. What this body and what the body down the hall fail to do is set priorities and say: We are going to afford this, but we cannot afford that—just as families do, as the State government in Tallahassee does, as businesses do every day.

We do not go into the agencies now that are spending all this money and say, are they spending money on things that are effective, efficient? Are they getting bang for the buck? No. What we do in Washington is create new programs. We pass this financial regulatory reform bill, and instead of firing all the people at the SEC who failed to do their job in policing Wall Street, we create a new governmental institution because that is what Washington does—more and more layers of government on top of government, with nobody looking to see what government is doing now and whether your tax dollars are being spent effectively and efficiently because there is no mechanism in place to balance the budget.

I wish we had a balanced budget amendment. I wish we had to do what our States have to do. This past spring, in Florida, our State leaders had to sit down, when there were less revenues than there had been in the past, and they had to make decisions about what to cut. That is what leaders do. We do not do that in Washington.

But I have an amendment, a proposal, that would get us into a mechanism to at least have the debate about how we can save this country by stemming this uncontrollable spending. It is called the 2007 Solution. It would require this, simply: Each year, the majority leader will be required to offer a piece of legislation that would have 50 hours of debate, where we would have to go back to 2007 spending levels. Why 2007? Well, 2007 was the last year we had a robust economy. It was not until December of that year that we entered into recession.

When I talk with most Floridians, they would be happy to have the money they made in 2007 as income in 2010. It was before the stimulus. It should be enough for us to live off of. And it is not as though things were being done efficiently and effectively in 2007. It is not as though someone was going into the agencies trying to chop out waste and abuse, set priorities. It was not being done then, either. So there should be plenty of wiggle room.



So if we go back to 2007 level spending at \$2.729 trillion, by 2013 we would balance the budget, and by 2020, instead of having a \$25.7 trillion national debt, we would cut the current national debt in half, and it would be somewhere around \$6 trillion, and we would save America.

What this amendment does, what this proposal does, is require the majority leader to offer an amendment where we will have 50 hours of debate on the floor of the Senate—as they will in the House—to set spending levels at 2007 levels. And guess what we are going to have to do then. We are going to have to be adults. We are going to have to be leaders. We are going to have to make decisions about what is important.

The \$90 billion Washington spends every year to subsidize different businesses around the country—is that important? The billions of dollars that go into earmarks—are they important? Could we not cut 10 percent from each agency, 20 percent from each agency? The \$100 billion of Medicare fraud a year—could we not combat that? Would we not then have a motivation, an impetus, to actually start doing better by the American people and watching the dollars they send to us, and spending them as if they were our own, and doing it wisely?

My amendment does not say what has to be cut. It does say there will not be any tax increases. We do not need to create more revenue and create more of a problem because, trust me, if we create more revenue, this Congress will spend it. We do not have a revenue problem. We have a spending problem.

Let's have this debate. Who is afraid of a discussion? Let's go back and forth and say what we could cut. Should we cut things in the Department of Defense? Is there not waste, fraud, and abuse in the Department of Defense? Sure there is. Let's cut it. Secretary Gates wants to cut spending in defense. No one wants to cut our capabilities. But are there things we could do without, and do things more efficiently, not just in defense but in every department of government?

There are 100,000 people working at the Department of Agriculture. By best estimate—and it is less than this—there is 1 person at the Department of Agriculture for every 30 farmers. What are all these people doing? Has someone looked under the hood at that agency?

The President is now asking all the agency heads, the Cabinet members, to look for 5-percent cuts, some of which would go toward deficit reduction, some which would go toward other programs they could spend money on. When is the last time we cut any agency? We have not had fiscal sanity in the Congress since the mid 1990s when we balanced the budget. We are talking 13 years, 14 years. Someone needs to look under the hood of these agencies and set priorities.

This amendment will require that discussion to happen. We are going to

have to look at the entitlement programs.

We are going to have to look at Medicare. We are going to have to look at Social Security. This is not a popular thing to talk about. You are not going to see my colleagues come to the floor of this body and talk about reforming entitlements because it is politically dangerous. But the truth is, if we do not reform them, they are not going to be there for our seniors in the generations who follow. We are going to have to have the courage of our convictions. We are going to have to care about the next generation more than we care about the next election.

I hope the 2007 Solution will pass. It does not require any specific program be cut. It just requires that we have a debate about it every year. If the majority leader does not introduce it, the minority leader can. If the minority leader does not introduce it, any Senator can. There would be 50 hours of privileged debate. It can go through committees, but only for 30 days so it does not get stuck in the committees. It would require a three-fifths majority to pass. That is a peculiarity of the Senate—our 60-vote rule. So it makes sense, and it is consistent with the history and the precedents of this body.

I want to conclude with this: For us to be here and to do anything else, without tackling this debt issue, is unfair to the American people. I have four little kids. My wife and I just welcomed a new daughter into the world. It is our first daughter because we have three young sons. My greatest fear is that my four kids—or one of the four kids—someday will come to me and say: Dad, I am moving to a foreign country. I am going to Brazil or India or China or—pick your country—because the opportunities in that country are greater than the ones in the United States.

The greatest threat we have to this country today is our inability to control this out-of-control spending. If we do not do it, we will violate the American creed, which is that we leave this country a better place than we found it for each generation that follows.

I hope my colleagues on the other side of the aisle will embrace this amendment. Again, it does not require anything to be cut. It requires a discussion and a good debate on what should be cut. It sets the parameter that if we hold ourselves to that cap, we could save this country. There are folks I know on the other side of the aisle who care about this issue. I have talked to them. This is not a Republican issue. This is not a Democratic issue. This is a moral issue. It is a moral obligation of the people who serve in this body and the one down the hall to fix this out-of-control spending.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, I did not intend to speak again, except after hearing my colleague, I do feel it is im-

portant to say—I am not speaking to the specifics at all in terms of a proposal—but I do feel it is important to talk for a moment about how we got to where we are with the deficit. Because it is pretty hard to listen to folks who were involved in policies that got us where we are and are now talking to us about how terrible it is as to where we are.

I want to stress, when I came to the Senate in 2001, we were trying to figure out what to do with the largest budget surplus in the history of the country. I was in the House when we made the very tough vote to balance the budget under President Clinton.

Unfortunately, for all of us—I mean that sincerely—rather than doing what many of us had proposed—which was to take that large budget surplus and take a third of it to do strategic investments in tax cuts and a third of it for investments in things such as health research and education and jobs, and a third of it to prefund the deficit for the future; that was a proposal we had—instead, all of it went to top-down tax cuts for the wealthiest people in the country. It put us in a situation where we had no backup, no surplus. Then we went to war with two countries and put it on the credit card, which we have now used for 10 years.

Then we saw a huge new Medicare entitlement. I certainly believe strongly in providing prescription drug help for seniors, but that was not paid for either. There was item after item after item—until President Obama inherited now the largest deficit.

So as we are trying to dig our way out of this now, it is very disconcerting to hear over and over, with all due respect, about how deficits matter. Deficits did not matter when it was the Republican agenda. And my guess is, if we were talking about another round of huge tax cuts, it would not matter either. It matters now when we are talking about things that middle-class families want. It matters now when we are talking about jobs or the cost of college or whether we are going to be able to have families be able to have a family doctor for their kids—or all the other things. Now it matters. It did not matter—the Wall Street bailout? OK. A people's bailout? A families bailout? Oh, no, no, no, no, that is deficit spending.

I will say this, with all due respect: with over 15 million people on unemployment benefits right now and another how many—who knows—working part time or who completely had to leave the labor market—millions and millions of people—we will never get out of deficit until people get back to work. We will never get out of this deficit ditch until people get back to work and they are back contributing and being a part of the economy and being able to care for their families and being able to get this economic engine going again.

That is a basic philosophical difference we have. It is a basic difference

in beliefs that I was talking about earlier today: about whether it is important to focus on people and putting people back to work on things that middle-class families need or now—when it is a different agenda, when we have different priorities and different values, and we are fighting for different people—now, all of a sudden, despite the former Vice President's claim that deficits did not matter, now they matter.

I believe they do matter. I believed they mattered in, I think it was 1997, when I voted for a balanced budget under President Clinton. I believed they mattered in 2001 when I was a member of the Budget Committee. I voted for efforts to have us be fiscally responsible. And I believed they mattered when we voted to reinstate rules that were taken off for 8 years—that you should pay as you go when you do something. I know we have to make sure we are actually living up to that.

But with all due respect, we have a very different view of the world. Coming from the great State of Michigan right now, our folks would say it is about time somebody focused on them and their jobs and what is happening to their families. That is what this bill is all about that is on the floor. That is what we are all about. I think it is the right course.

I thank the Chair.

Mr. LEMIEUX. Would my friend yield for a question?

Ms. STABENOW. I would be happy to.

Mr. LEMIEUX. Your State has high unemployment and my State does too. I think you are at 14-some percent, and we are at 12 percent. Everybody cares about trying to get folks back to work, but shouldn't we find a pay-for on this bill? Everybody wants to extend unemployment compensation, but why should we put it off on our kids and our grandkids? Is there not \$55 billion we could find to pay for this bill?

Ms. STABENOW. Mr. President, with all due respect to my friend, the reality is that we have an economic emergency in this country. If 15 million people out of work isn't an emergency, I don't know what one is. So I would just fundamentally disagree with the Senator.

In order for something to be an economic stimulus every economist—from Reagan economists to Clinton economists to Bush economists to Obama economists—has said by funding this as emergency spending, we jump-start the economy. For every dollar we put into a family's pocket, we get \$1.60 in economic turnaround, economic benefit because families who are out of work are forced to spend the money that is put in their pockets.

So, no, I would fundamentally disagree. We have had economists testify who would fundamentally disagree with that premise. It sounds good. It sounds good. I wish we had paid for the huge tax cuts that were done a number of years ago. I wish we had paid for

that. But right now what we are saying is, where we ought to focus our energies is on taking away the stimulus that comes from unemployment benefits, and somehow we have to get our focus back on people who have lost their jobs. So I fundamentally have a disagreement.

Mr. LEMIEUX. Mr. President, if I could just ask one more question. I don't disagree with the Senator about spending the money; I would like to extend unemployment compensation. But would my friend not agree with me that there is \$50 billion we could find somewhere in this government, money that has not been spent that is sitting in accounts, wasteful spending, programs that aren't working? Why can't we as a body get down to the business of looking at government and all of the trillions of dollars we spend and find money and set priorities and pay for this?

Ms. STABENOW. I guess I would ask my friend back, would you agree that rather than decreasing the estate tax for less than one-half percent of the public, maybe we should make sure any dollars there should go back to somebody who doesn't have a job and maybe help create a partnership with a business to create a job? Would you say that is a better priority than what is going to be coming up not too long from now on the Senate floor to try to help folks who already make millions of dollars a year?

Mr. LEMIEUX. Respectfully, I think the estate tax issue is a different issue, but I will address it.

Ms. STABENOW. I don't think it is a different issue, with all due respect.

Mr. LEMIEUX. Ma'am, I let you finish. If I may, we don't have an estate tax right now. The joke is, don't go hunting with your children because right now there is no estate tax in this country this year. So we all agree that needs to be fixed.

We have a difference in belief on taxes, but I am talking about just this spending issue. You and I and many of us in this Chamber all agree that we should continue unemployment compensation. People in your State are hurting; people in my State are hurting.

My question is, Is there not \$55 billion we could find somewhere in the more than \$2 trillion that we are going to spend this year—actually, more than \$3 trillion—could we not find an offset so we don't put this upon our kids and our grandkids?

Ms. STABENOW. Finally, I would say before having to leave the floor, I appreciate that in theory. I guess I would ask my colleague to come up with what your list would be of priorities, because—

Mr. LEMIEUX. We will do that.

Ms. STABENOW. From my standpoint, unfortunately, what I see over and over again are middle-class families and folks who are out of work are the ones who get hit over and over again. That is my concern. That is my

concern when we get into tax policy, about who we are going to give a tax cut to, who is going to get money back in their pockets. Not too many folks in my State believe it has gone to them. So that is why I raise the estate tax.

In general, I would just simply say we know President after President, Republican and Democrat, has extended unemployment benefits as emergency spending for decades. I am just very disappointed that now, suddenly, that is trying to be changed.

Thank you, Mr. President.

Mr. LEMIEUX. I thank my colleague for the good conversation, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. SHAHEEN). Without objection, it is so ordered.

#### MOTION TO REFER

Mr. DEMINT. Madam President, I send a motion to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Carolina [Mr. DEMINT] moves to refer the House Message to accompany H.R. 4213 to the Committee on Finance with instructions to report the same back to the Senate with changes to include a permanent extension of the 15 percent income tax rate on capital gains and dividends under section 1(h) of the Internal Revenue Code of 1986, and to include provisions which decrease spending or increase net revenues as appropriate to offset such permanent extension.

Mr. DEMINT. Madam President, we are obviously considering a tax bill in the middle of a recession, with a lot of folks out of work. Yet we are talking very little about the fact that, within 6 months, tax rates for every American and every business are going to go up. It is already beginning to create uncertainty in our economy. Folks who would otherwise take risks and invest are holding back because of the increase in taxes.

One of the main focuses of what we are doing needs to be on capital gains taxes as well as dividend taxes. Right now, the capital gains tax, in January, is going up—if we do nothing—from 15 to 20 percent. This will discourage investment. The dividend tax will go up from 15 percent to the top rate of nearly 40 percent.

The Heritage Foundation estimates that if we would hold tax rates the same on these two taxes, we would save over 250,000 jobs next year alone.

I am asking my colleagues to consider the urgent need to keep our current tax rates the same, particularly on capital gains and dividends, as we know a lot of seniors are living in part off dividends they receive. If we raise the tax rates on them, it is not going to do anything to help them or our economy.

I am asking that this bill be referred back to committee, that they add this requirement that the capital gains and dividends stay the same, at 15 percent, and bring it back to the floor for a vote.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Madam President, I want to address my colleagues on a couple of different issues. One would be to speak in support of part of the Coburn amendment, and the second one would be to speak on the issue of taxes.

I want to speak in favor of Senator COBURN's amendment that would repeal a special deal for California. As I have said before, Medicare's payment system for physicians is flawed in many ways. One of those flaws has resulted in unfairly low payments to physicians in my own State of Iowa and many other rural States over the course of many years.

Medicare payments vary from one area to another based upon geographic adjustments made by the Centers for Medicare and Medicaid Services. These adjustments are supposed to reflect the differences in the cost of providing care in different areas and equalizing physician payment. But the geographic adjustments have been a dismal failure. They do not accurately represent the costs in rural States. Instead, they have created unfairly low Medicare rates and have, in fact, even discouraged physicians from practicing in rural areas such as Arkansas, New Mexico, Missouri, Iowa, North Dakota, and maybe, you could say, a lot of rural States.

Last fall, I offered an amendment to reform the unfair formula that has caused these unduly low rural payments during the Finance Committee markup of the health care reform bill. My amendment requires CMS to use accurate data rather than inaccurate proxies to calculate the geographic adjustments for physician practice costs. My amendment was accepted unanimously by the entire Senate Finance Committee, and it was included in the Patient Protection and Affordable Care Act that was signed into law by the President in March. It is a national solution to this problem that has plagued so many rural States.

Unfortunately, the rural equity that my amendment would finally achieve has been endangered by the Democratic majority's sweetheart deals. One of these sweetheart deals was added to the Senate health care reform bill that is now law. This special deal was added behind the closed doors of the Senate majority leader, and it addressed the unfairly low payments in rural States.

It was included in the Senate health reform bill for two of my Democratic colleagues from so-called frontier States. It is what I call the frontier freeloader provision. And it can be called that because it just helped five States at the expense of 45 others.

The frontier freeloader deal gives higher Medicaid payments to just five States—North Dakota, South Dakota, Montana, Wyoming, and Utah—and it is at the expense of every other State. Even though Iowa, New Mexico, Arkansas, Missouri, and other rural States do not benefit from this deal, they have to pay for it. Here we are. Taxpayers in your State and mine—all the other 45 States—have to kick in to pay the \$2 billion for higher Medicare payments for these 5 so-called frontier States. This is another example of how the secret deals made by the Democratic majority leader to get votes during health care reform led to bad policies such as the "Cornhusker kickback," the "Louisiana purchase," and the Florida "Gator aid." I introduced legislation in April to repeal this sweetheart deal for frontier states. My bill, the Medicare Rural Health Care Equity Act, would eliminate this special deal for these five States. We should improve physician payments for all rural States, not just a select few.

The Coburn amendment would address a similar concern—yet another special deal for just one State has been included in the Democrat's tax extender bill. Section 522 of the Democratic substitute would provide \$400 million over 10 years to create yet a new system for calculating payments for physicians in rural areas, but you know what, only in one State—California. This is just one more example of the sweetheart deals that have permeated the Democratic leadership's efforts during these times. Will these special deals ever stop? I strongly oppose these sweetheart deals, and I will continue to speak out against them, and I will continue to work to pass legislation to repeal these special deals, such as the Medicare Rural Health Care Equity Act, that I introduced this year.

That is why I strongly support the amendment by my colleague from Oklahoma to strike this \$400 million sweetheart deal for California from the bill, and I urge my colleagues, especially those from other rural States, to do the same. You see, what happens here when you start doing something for 1 State here and 5 States over here—there are about 30 States, maybe 35 States that have similar problems. We ought to attack these similar problems with the same principle, as I see it.

As I said, I wish to continue to address my colleagues on the subject of time-sensitive tax legislative business. I have already spoken on other items. I have a chart here that says what the four items are that are time sensitive that we ought to be working on and how far we have gotten on some of

them. Obviously, as you can see from the Xs there, we have not gotten very far on most of them.

Last week, I discussed the unfinished tax legislative business. This chart gives you an update of the legislation before the Senate. It deals with only one small, however important, part of unfinished tax legislative business.

These tax extenders are on their second Senate stop. This is the bill now before the Senate. As this chart shows, the tax extenders which are overdue by almost half a year are not alone. There are three other major areas of unfinished business.

One area is the one I discussed a couple of days ago—the alternative minimum tax, the AMT patch. That issue, if you do not deal with it, is going to raise the taxes of 24 million Americans, middle-class Americans who, frankly, were never intended to pay the alternative minimum tax. If we do not fix it, 24 million people are going to see their taxes go up.

Yesterday, I addressed the issue of the death tax. That is an area which is very important. I took a lot of time of my colleagues last night to explain the issue and particularly the impact on small, family-owned businesses that may be sold off because we do not have a good estate tax policy.

The third area and the one I am going to address now is the 2001 and 2003 tax rate cuts and family tax relief package. That is the one that, if Congress does nothing between now and December 31, starting January 1, 2011, the American people are going to have the biggest tax increase in the history of the country and without even a vote of Congress. Existing law, with the tax reductions of 2001 and 2003, sunsets. "Sunset" simply means that if Congress does nothing, the biggest tax increase in the history of the country happens without us even casting a vote here in the Senate.

As important as the AMT patch and the death tax are, these two I just mentioned are dwarfed by the impact of this third package of expiring tax provisions. I am referring to the marginal rate cuts and the family tax relief of the bipartisan tax relief that was enacted in 2001 and 2003. Efforts to make these tax relief packages permanent were rebuffed. The resistance was the result of a hard and determined minority back then, marshaled by the Senate Democratic leadership. It was reflected in the budget resolutions offered in filibusters.

Even more inexplicable than the Democratic leadership's failure to extend popular and bipartisan tax relief enacted in 2001 and 2003 were some of the reasons given. It was basically said that since Republicans wrote the law, it is our—meaning Republicans—problem. The left wing of the blogosphere echoed the Democratic leadership's position.

Some of those reflections in the blogosphere even alleged that the sunset was a Republican conspiracy. I

came across a 2007 posting on Daily KOS blog. The posting referred to the provisions of the Tax Increase Prevention and Reconciliation Act of 2005, which was enacted in May 2006. That legislation contained two basic pieces. One was an extension of lower rates for capital gains and dividends. Another was the extension of the alternative minimum tax patch. The poster's analysis concluded that the bill was a "poison pill" designed—can you believe it—to sabotage the economy, which supposedly would increase the prospects of Republican candidates in 2012. I know that sounds a little far-fetched, but that is what the KOS posting on their blog said. The argument seems to be that having popular and bipartisan tax relief from 2001 and 2003 all sunset at the end of 2010 would cause such an economic mess that the Democrats, assumed by the posters to be in power at the time, will take the blame and suffer at the polls.

In the posting titled "The Monster Republican Tax Hike," the poster stated that:

Republican Congresses chose not to make their tax cuts . . . permanent.

The argument seems to be that Republicans put sunset clauses in the bill solely to improve long-term budget projections and that responsibility for the expiration of tax relief rests completely with Republicans. The implication is that by lowering taxes, Republicans are responsible for a tax increase that would occur when the Democratic majorities control both Houses of Congress. That is a little far-fetched because it is just some sort of conspiracy that you can control the electorate and these things are going to exactly work out this way. That is obviously stupid, but that doesn't keep bloggers from talking—whatever they want to believe.

The commentaries I just referred to are available to anyone in the April 12, 2007, edition of the CONGRESSIONAL RECORD.

I have heard some Members on the other side as well as key staff have made similar assertions. As one who was involved in the writing of these tax relief plans of 2001 and 2003, I want to tell my fellow Senators without reservation that these assertions are absolutely untrue, besides being ridiculous. To begin with, it is completely ridiculous to suggest that President Bush and Republicans in general did not intend or desire the permanence of tax relief. President Bush and Republicans in general have favored tax relief permanence. You need to look no further than the budgets to which I referred. The administration and Republican Congress budgeted for extension of the bipartisan tax relief provisions. That action affected the bottom lines of those budgets.

We heard over and over the criticism of those budgets. We heard it from the Democratic leadership, liberal think tanks, and some sympathetic east coast media. As a matter of fact, after 3½ years of congressional control, we still hear the Democratic leadership's criticism every day. Just recently, the Speaker of the House was asked when the Democratic leadership would cease laying the blame for all fiscal problems on Republican budgets of the years 2001 to 2006. MSNBC's Chuck Todd recently interviewed the highest ranking Democrat in the House. Mr. Todd asked if there was a statute of limitations on placing responsibility on the Presidency of Mr. Bush.

At what point do you think the public says something [like this]? "You know what, yes, we were unhappy with the Bush administration . . . [but] stop blaming the Bush administration."

Mr. Todd went on to say:

When does that run out?

But then the Speaker specifically replied:

Well, it runs out when the problems go away.

The blame game is no substitute for doing the job you have been hired to

do. People elect folks to public office to do—what? To govern; govern at the will of the people. Governing is not just about enjoying the benefits of public office. This is a public trust we hold. We work for the American people; they don't work for us. Part of governing is also about making choices. Some of those choices are tough, as we know, and those of us in public life need to be accountable for those choices.

The Democratic leadership cannot have it both ways. They cannot continue the bipartisan tax relief and not be responsible for the deficit impact those policies carry. No family can make decisions about its budget and evade the consequences by blaming their next-door neighbors. No business can make decisions about its budget and evade the consequences by blaming a competing business. The fiscal consequences are an important part of that decision.

The statutory pay-go or pay-as-you-go regime was enacted as part of the last debt limit increase. It covers only part of the revenue loss of making permanent the bipartisan tax relief plans of 2001 and 2003. For instance, the alternative minimum tax patch is extended for only 2 years. Death tax policy is extended at 2009 levels only through 2011. How do you plan estates when you only have a tax law in place for 2 years?

Even with those limitations, the Joint Committee on Taxation states: Complying with the pay-go rule means a revenue loss of over \$1.5 trillion over 10 years.

I ask unanimous consent to have printed in the RECORD a copy of the Joint Committee on Taxation's estimate of the tax relief covered by statutory pay-go. And this is a summation of that.

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

8-Mar-10 11:08AM

#10-2 026  
VERY Preliminary  
8-Mar-10

- Committee on the Budget -  
ESTIMATED BUDGET EFFECTS OF ADJUSTMENTS FOR CERTAIN CURRENT POLICIES AS OUTLINED IN  
THE, "STATUTORY PAY-AS-YOU-GO ACT OF 2010"

Fiscal Years 2010 - 2020

*[Millions of Dollars]*

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
<b>Make Permanent Certain Tax Cuts Enacted in 2001 and 2003:</b>														
A. Permanently Extend Capital Gains and Dividends 0%/15% Rates for Certain Taxpayers.....	tyba 12/31/10	---	-1,766	-8,329	-10,010	-10,555	-11,018	-11,368	-11,748	-12,158	-12,559	-12,976	-41,677	-102,488
B. Permanently Increase the Maximum Amount and Phaseout Threshold Under Section 179 that are Scheduled to Expire After 2010 .....	tyba 12/31/10	---	-2,789	-5,110	-4,479	-3,871	-2,948	-2,018	-1,330	-1,009	-989	-1,150	-19,197	-25,693
C. Reductions in Individual Income Tax Rates	tyba 12/31/10	---	-30,815	-44,810	-45,811	-46,779	-47,159	-46,966	-46,779	-46,351	-46,121	-45,778	-215,375	-447,369
1. Retain 10% bracket [1] .....	tyba 12/31/10	---	-12,649	-18,824	-19,884	-20,960	-21,642	-21,847	-21,867	-21,686	-21,592	-21,602	-93,960	-202,553
2. Retain the 25%, the 28%, and part of the 33% income tax bracket.....	tyba 12/31/10	---	-9,047	-45,389	-46,094	-46,498	-46,695	-47,068	-47,531	-47,872	-48,303	-48,645	-193,724	-433,144
D. Extend the \$1,000 Child Tax Credit, Refundability, and AMT rules [1] .....	tyba 12/31/10	---	-6,343	-13,553	-13,724	-13,784	-13,720	-13,508	-13,306	-13,187	-13,064	-13,075	-61,124	-127,266
E. Marriage Penalty Relief [1] .....	generally 1/1/11	---	-792	-1,664	-1,714	-1,809	-1,913	-2,072	-2,178	-2,281	-2,361	-2,358	-7,892	-19,142
F. Education Incentives [2] .....	tyba 12/31/10	---	-184	-668	-692	-704	-709	-712	-715	-728	-735	-740	-2,956	-6,586
G. Other Incentives for Families and Children [1] [3] .....	tyba 12/31/10	---	-167	-355	-398	-441	-481	-511	-537	-558	-579	-604	-1,841	-4,630
H. Repeal Overall Limitation on Itemized Deduction and the Personal Exemption Phaseout for Certain Taxpayers .....	tyba 12/31/10	---	-64,552	-138,702	-142,806	-145,401	-146,285	-146,070	-145,991	-145,830	-146,303	-146,928	-637,746	-1,368,871
<b>Total of Make Permanent Certain Tax Cuts Enacted in 2001 and 2003.....</b>														
Estate and Gift Options - Extend 2009 Estate and Gift Tax Through 2011 and Index the Exemption Amount .....	dda & gma 12/31/09	34	4,901	-17,351	-1,007	-110	-444	-32	112	128	132	136	-13,977	-13,501

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
Increase AMT Exemption Amount and Allow Personal Credits Against the AMT to Hold Number of Taxpayer Affected by the AMT at the Same Number Estimated to be Affected by the AMT in Tax Year 2008, Expires 12/31/11 .....	tyba 12/31/09	-6,404	-79,562	-68,137	16,978	---	---	---	---	---	---	---	-137,126	-137,126
<b>NET TOTAL .....</b>		<b>-6,370</b>	<b>-139,213</b>	<b>-224,190</b>	<b>-126,835</b>	<b>-145,511</b>	<b>-146,729</b>	<b>-146,102</b>	<b>-145,879</b>	<b>-145,702</b>	<b>-146,171</b>	<b>-146,792</b>	<b>-788,849</b>	<b>-1,519,498</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is generally assumed to be July 1, 2010.

Legend for "Effective" column:

dda = decedents dying after

gma = gifts made after

tyba = taxable years beginning after

[1] Estimate includes the following outlay effects:

Retain 10% bracket .....	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2011-20
Child credit .....	---	---	1,221	1,297	1,382	1,511	1,588	1,624	1,683	1,710	1,762	5,411	13,778
Marriage penalty and EIC part of marriage penalty .....	---	---	26,129	26,055	25,888	25,635	25,651	25,948	26,101	26,418	26,619	103,707	234,444
Other incentives for families and children .....	---	---	5,740	5,787	5,775	5,767	5,830	5,939	6,073	6,231	6,360	23,069	53,502
Total Outlay Effects .....	---	---	81	252	255	253	249	243	243	240	233	841	2,048
The provision that permanently extends the exclusion for undergraduate courses and graduate level courses is included in the Education Incentives line and includes the following effects:													
Total Revenue Effects .....		-706	-964	-992	-1,023	-1,053	-1,085	-1,117	-1,151	-1,185	-1,221	-4,738	-10,497
On-budget effects .....		-460	-653	-671	-692	-713	-734	-756	-779	-802	-826	-3,189	-7,086
Off-budget effects .....		-246	-311	-321	-331	-340	-351	-361	-372	-383	-395	-1,549	-3,411

[2] The provision that permanently extends the exclusion for undergraduate courses and graduate level courses is included in the Education Incentives line and includes the following effects:

Total Revenue Effects .....		-706	-964	-992	-1,023	-1,053	-1,085	-1,117	-1,151	-1,185	-1,221	-4,738	-10,497
On-budget effects .....		-460	-653	-671	-692	-713	-734	-756	-779	-802	-826	-3,189	-7,086
Off-budget effects .....		-246	-311	-321	-331	-340	-351	-361	-372	-383	-395	-1,549	-3,411

[3] Estimate includes extension of the adoption tax credit, employer-provided child care tax credit, and dependent care tax credit.



Mr. GRASSLEY. The expiring tax relief I am talking about today includes the marginal rate cuts and family tax relief. Under the statutory pay as you go, the amount permitted in this area is about \$1.4 trillion as you can see at the top of the chart on the right. It covers about 80 percent of extending all of the marginal rate cuts and family tax relief from the 2001 and 2003 bipartisan plan.

That number makes sense because the bipartisan tax relief plans cut taxes for virtually every American family who pays income tax. How significant and how widespread is this tax relief? This chart here, drawn by the Congressional Budget Office—and I want to remind people throughout the Nation that CBO is a professional group of people who see numbers as what they are, void of politics, and make predictions. So I hope this may shed some light on the question of how significant and widespread is the tax relief.

The line measures the effective tax rate paid by the top 5 percent of the taxpayers. That is at the top, the top line. This group roughly represents those taxpaying families with incomes over \$250,000. Under the Democratic leadership's budget, this line will go back up to where it was in the year 2000. That is also where the President's budget, meaning President Obama's budget, and the statutory pay-as-you-go regime would take the rates.

The Republicans believe this significant tax increase will be a mistake. We hope we will be able to debate this policy in the House and Senate, in committee and on the floor. That was, after all, the process that was followed when the bipartisan tax relief plans were passed in years 2001, 2003, and 2005.

We will point out that about half of the heavy tax increases will fall on small business owners. The top marginal rate on small business owners will rise by 17 percent. Democrats and Republicans agree, small businesses are a key job creator of the future and for a long period of time in our country. President Obama correctly points out that small business creates 70 percent of new jobs. I do not argue with his percentage.

The rest will also hit investment hard. The top capital gains rate will rise by 33 percent. The top dividend rate could rise by almost 275 percent. All of this is set to occur not at some far distant future point, it occurs a little over a half a year from right now.

We all hope the economy is on a path to recovery. But does this heavy tax increase on small business owners and investments ever make sense? Because even the most liberal Members on the other side might wonder whether it makes sense right now to increase taxes at this time. Is the recession ending? There is good news some days, bad news some days. But the uncertainty is a factor that people do not want to move forward with investment and creating jobs.

Do we think then that the private sector will grow if we hit small busi-

nesses and investors this hard 6 months from now? They are not going to wait 6 months from now to make some decisions. They are making those decisions right now. If we can give them some certainty, I think it would be a big boost for our economy.

You can see that the broad bipartisan tax relief brought the effective rate down with respect to the bottom 95 percent of taxpayers. This is the red line. Some of my colleagues on the other side of the aisle may be thinking to themselves, sure, this is true for income taxes. But what about other Federal taxes such as Social Security, which make up a large percentage of the taxes paid by middle and low-income individuals?

Well, this chart is not just a depiction of Federal income taxes, it includes all Federal taxes. This includes Social Security, other payroll taxes, excise taxes, frequently referred to by my colleagues on the other side of the aisle as regressive taxes, everything, including all Federal taxes over the last 30 years.

The top 5 percent has paid a lot higher effective tax rate than the bottom 95 percent. It has been that way no matter which party has controlled the White House or controlled Congress or controlled both. It shows something you would never know if you listened to the rhetoric from the other side or even the punditry of the media and the left.

Here is what it shows: A progressive income tax system is very deeply embedded into our culture. The bipartisan tax relief plans of 2001 and 2003 made the system yet more progressive. Those plans brought the rates down for the bottom 95 percent of taxpayers. The 2001 and 2003 tax relief plans dropped the effective tax rate for taxpaying families under \$250,000 to their lowest levels in a whole generation.

This is the current law level of taxation. In a little over half a year, these rates will pop back up for all of these taxpayers. I have a couple of charts that illustrate how significant the tax hit will be. Middle-income families will run right through these tax walls. I have used these charts several times in the last few months.

For a family of four with an income of \$50,000, that is a tax wall of a \$2,300 tax increase. For a single mom with two kids earning \$30,000, that tax wall will be \$1,100. The President, as powerful as he is, cannot unilaterally hike or cut taxes. He needs a bill from Congress to do that. On our side, we want all of the tax relief made permanent. We want the opportunity to debate and to amend a bill that deals with this basic level of taxation.

As has been made clear for the last 3½ years, Republicans do not control this Congress. We cannot decide the fate of the marginal rate cuts and family tax relief. This is unfinished business. It is unfinished tax legislative business that affects every American taxpayer. It will have fiscal con-

sequences. They are pretty significant fiscal consequences, as you can see by the figures on this chart. That is going to raise taxes an awful lot. If the Democratic leadership wants to keep these levels of taxation low, then they have to deal with the fiscal consequences. Alternately, the Democratic leadership can raise taxes and claim the revenue.

Not changing the law by failing to act is the same as raising rates on virtually every American taxpayer. But they will have to explain to the taxpayers why they raised taxes by almost 10 percent, on average. In the 2006 election, almost 4 years ago, the American people provided the Democratic leadership with control of the Congress. In the 2008 election, over 18 months ago, the American people provided the Democratic leadership with yet the largest majority in more than a generation. They also provided the Democratic leadership with a President of their party.

The Democratic leadership spent the periods of 2001 to 2006 thwarting our efforts to make bipartisan tax relief of 2001 and 2003 permanent. It would seem okay to keep Republican bills from 2001 through 2006 from being made permanent, but the 2001 tax bill was very bipartisan.

Upon assuming control, they have spent 3½ years with no legislation to make permanent or even extend marginal tax rates and family tax relief packages. My friends in the Democratic leadership need to step to the plate. We have had budgets and statutory pay-as-you-go. We have debated this and voted on the breadth and composition of marginal rate cuts and family tax relief in those contexts, yet no legislative action; no House committee and floor action; no Senate committee and floor action. And that would be the bottom line there. The Xs show nothing happening on something to give permanence to tax law, to give predictability to the future of those people who have to put up money to create jobs that expand our economy.

Without it, the biggest tax increase in the history of the country could be a fact. So I say once again, step to the plate. Blaming former President George W. Bush and Republican Congresses of many sessions ago is no substitute for running this time-sensitive tax legislative business through the process. Put forward proposals. Let us debate those proposals. Let's allow for amendments. Allow votes on amendments. Do the people's business. It is time to check every one of these boxes.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Madam President, I offered a rather lengthy amendment to this bill, not because I was trying to be cute, but I think the American people have got to hear from us on whether we are going to make some of the commonsense changes they would expect us to make.

There are a lot of easy votes in this amendment. I mean, to not pay contractors when they do not deserve to be paid, whether to continue to do it, we did it to the tune of \$6 billion at the Pentagon in the last 6 years. That is not hard.

To quit printing and wasting money on printing things we should not be printing, that is not hard. But the debate is.

It is just as important as taking care of those people who are unemployed. If we don't cycle through to a good recovery, we are going to have less opportunity to borrow money to help those people who are unemployed. We now stand at a crossroads we have never been at before. Our gross debt is in excess of \$17 trillion. Our net debt is at \$13.2 trillion. The difference between that is the money the Congress has stolen from Social Security and myriad other trust funds that are much smaller. But we have borrowed it and put a piece of paper in that says: We will pay you back.

The fact is, we have to pay interest. It is compounded. We will eventually have to pay it back. Only in Washington would we talk about net debt when, in fact, we are paying interest on the gross debt.

We had testimony before the debt commission 2 weeks ago by Dr. Reinhart, one of the leading economists in the country, who said we are in excess of 90 percent of our GDP, our debt. What did they tell us? We are struggling with a recession. We are trying to come out of a recession. They told us with that much debt, it is suppressing the growth of our economy by 1 percent a year. One percent a year is \$170 billion in productivity and economic activity that didn't happen. If we calculate that in terms of jobs, that is about 3 million jobs that are not going to be created next year because Congresses before us and this one as well have refused to live within their means.

We have, in terms of Washington, a relatively small bill now, \$100 billion plus. It was pulled from the floor to make it smaller—not to pay for a significant amount more, just to make it smaller—when, in fact, what the American people want us to do is find something within the Federal Government that doesn't make sense, don't borrow it from our children, do the hard work of finding what is not working here.

We are going to have a cloture vote on this legislation. My hope is, unless we change this bill, that this bill does not proceed until we accede to the demands of the American public. It is simple: Congress, start living like we are living. Start making the hard choices. When you have a limited budget, do what is most important first. Do what is least important last. Get rid of waste, get rid of things that should have been gotten rid of a long time ago and do what is best for the future.

We are not doing that with this bill, and we can't get anybody to debate on

the other side. They will not defend it. You cannot defend borrowing \$50 billion more against our children and grandchildren when we have \$300 billion of waste, fraud, abuse, and duplication in the government right now that we have rejected every time when those amendments come to the floor. You can't do it.

So we play the political game in Washington. We had it in February, when our colleagues passed pay-go. It is really to pay-go or not to pay-go. What pay-go means is, you American taxpayers, you pay, and we will go spend your money.

The statute said we would no longer spend new money on anything unless we paid for it. Since February 12 when this bill was signed into law, on February 24 we borrowed \$46 billion. We waived pay-go. We said the rule doesn't apply now. This is more important. It was the highway trust fund. Rather than cut some of the waste, fraud, and abuse, rather than cut out some of the things that are duplications, we borrowed that from our grandchildren. We did it twice in March, \$99 billion out of the Senate and \$10 billion. One was for an extension; one was for the overall tax extenders. We didn't quit there. April came, \$18 billion more. May came, May 20, we did \$20 billion more. Pay-go didn't apply. We waived it. We said it doesn't count. The rule doesn't count.

What good is it to have a rule or a statute that says we are not going to steal from our children anymore, and every time something comes up we steal from our children? It is a farce. It is meaningless. That is why we didn't vote for it, because it was just a charade to tell the American people somebody was doing something they actually weren't.

The proof is in the pudding. Then we borrowed \$59 billion on May 27. Now we have a bill out here on June 17 that is going to borrow another \$50 billion. How valuable are the lives of our children that we would steal opportunity? That sounds like a fallacious claim. It is not.

I want you to meet Madeline. Madeline is a little girl. I saw this on the Internet. I actually got to meet her. Her sign actually said \$37,000 6 months ago. In the last 6 months, she has gone from owing \$37,000, every individual, man, woman and child in this country, to owing \$42,000. What is her life worth? What is the opportunity for her worth? Are children just a toy, or do we owe it to them, based on what has been given to us, to create opportunity and a chance for a better life for the Madelines of this country?

The problem is, as we are set up right now, 9 years from now, that number is going to be \$187,000 per man, woman, and child. In 25 years, if we don't change what we are doing—and we will change because the world financial community will quit loaning us money—it will be over \$1 million.

Put your calculator on for a minute and calculate 6 percent of 1 million.

That is the interest cost for what we will have spent in money that we didn't have per person in this country. That is \$60,000 25 years from now that every one of us who is still alive will be paying each year just in additional interest before we do anything with the Federal Government.

This government is so far out of control. It is not President Obama's fault, it is the Congress's fault. Presidents can't do things without us. We allow it or don't allow it. We have been rebellious against the principles and values that made this country great. There has never been a country that has achieved—economically, culturally, and scientifically—anything close to what we have created. Congresses are destroying it. This bill is another drop that will eventually turn the statute over that says the future is not here.

This isn't a partisan debate, this is a generational debate. We are thieving. Generational theft is what we are about because we lack the courage to confront the real problems we have and embrace, though it may cost us politically, doing the right things to ensure an American dream for the Madelines of this world. We are failing to do that. What an abandonment of our oath, what a rejection of what was given to us. Yet we have the gall to come out here week after week and spend money we don't have on some things that are necessary, some that are not, but that allow us to continue to spend billions of dollars on things that we should not be spending it on because, basically, we lack courage. It is cowardice.

I am committed not just to Madeline. This doesn't have anything to do with the Republican or Democratic Party. It has to do with the survival of our country as we know it.

Yet we continuously hear: No, we can't. We can't do this. We can't do this. We can't get rid of the easy things to get rid of because somebody well heeled or somebody well connected somewhere doesn't want us to. So who runs the country? Do the people of this country control us or is it the well heeled or the well connected or those who will be advantaged by us continuing to waste money?

Is it a fact that we spent \$6 billion over the last 5 years paying performance bonuses to companies that contract with the Federal Government on performance they didn't earn, and we will not pass a law in a bill that says they can't do that anymore? Who is getting that money? Whose palms are we greasing? The fact is, we will not vote that out of here and say it isn't going to happen anymore. You are either going to perform under your contract or you are going to lose the contract, and we are not going to give you bonuses for not performing. Yet three times the Senate has voted that down.

Who benefits? It certainly isn't the average American. It is some corporate client somewhere who has too good of a sweetheart deal contracting with the Federal Government and has allies

within the Congress who say: We will protect you on the basis of having helped them in a campaign before. Do we want a future or do we want well-heeled buddies for the short term when it all collapses around us?

What we are addicted to bad behavior. We are addicted to spending money that we don't have on things we don't need. We are addicted to not confronting the very real problems in the government. Again, it is not President Obama or President Bush's fault. Congress has that responsibility. We reject our responsibility. We have abandoned our responsibility and, with that, our integrity by not doing what we should do.

As a physician, I know what addictive behaviors are all about. What do we need to do? One of the things President Obama wants us to do that we refuse to do is to end no-bid contracts. Let's end the sweetheart deals. Let's get rid of the no-bid contracts that the well connected, well heeled get to have at a higher price than what we would pay if we competitively bid it. Why don't we do that? That has been voted down by this body as well twice; we can't do that; we have to protect our friends; we are more interested in protecting our friends than we are in saving the country. Eliminate bonuses to contractors, I talked about that. Determine the total number, cost, and purpose of every Federal program. The Government Accountability Office can't give us that number. It is too big. The Congressional Research Service can't tell us all the government programs, what their cost and what their purpose is.

We did get through, late last year, an amendment that is going to force the Government Accountability Office to tell us. Do you know how long it will take them to tell us? Three years. That is how big the problem is. With all their resources, it is still going to take them 3 years to tell us all the government programs.

What do we know that I found out and my staff has found out in researching this over the last 5½ years? We have identified at least 640 different areas where there are more than five programs that have the same goal run by different agencies in the Federal Government.

We know, for example, right now some American people are struggling and a lot of people are actually having trouble getting enough food. So we have to guess how many programs to help feed those people who are needing food? Across six different Departments, we have 70 government programs. Not one of them has a metric on it to say: Are you effective? How do you measure your effectiveness? But we have 70 sets of overhead in the Federal Government to do exactly the same thing.

You may say, How in the world did that happen? I will tell you how it happens. Some constituent comes up here and says: Here is a problem. Oh, yes, it is a problem. We do not research it to see what the Federal Government is al-

ready doing, so we author a bill. Because nobody wants to keep food away from the hungry, we pass a bill, not knowing that we already have 69 other programs. That happens time after time after time, still today, because we do not know what we have.

In math, engineering, science, and technology, which is where we would like for lots of our young people to go, we have documented 105 different programs that are funded by the Federal Government to incentivize our young people to go into those areas in eight different government agencies, eight different government Departments. Not the Department of Education—some of them are in there—but in every area. Why? Yet we do not want to do the hard work of eliminating those.

Let's identify the 105, and let's cut it to one. Let's put metrics on it. Let's have just one set of overhead. Let's accomplish that.

We have added 160,000 Federal employees in the last 16 months. Every business I know out there is doing more with less. That is not a denigration to our Federal employees. It is embracing reality that we cannot continue to add Federal employees. We cannot afford the government we have. Forty-three cents out of every dollar the Federal Government spends today is borrowed from China or Russia or countries with sovereign bank accounts, many of which would like to see us end. Can we continue to do that? Can we continue to have 40 percent of everything we are spending borrowed?

What we do know is, necessity becomes the mother of invention, and if we put the clamps and the brakes on both the growth and the size and the total amount the government spends, we will get more for the same amount—but not until we try, not until we mandate it has to happen.

Limit the overhead costs of the Federal programs. The overhead and the layers of duplication are unbelievable. A tremendous amount of savings can be done. I just visited with a three-star general who is working inside the Pentagon. One of the areas where I want to see us eliminate \$50 billion a year in spending is inside the Pentagon because they have that much waste. They are going through a process now to look at where they have redundancy. Do you know what. They are finding it everywhere. But the Pentagon is so big, unless you look for it you are never going to see it.

So we now have the military starting to do what they finally need to do. They have never done it before—starting to look at redundancy, starting to look at good management, best practices, to create efficiencies so more dollars can defend us and less dollars will be spent on overhead. We need to do that government-wide, but especially in the Pentagon because it is our greatest discretionary cost with the exception of interest.

Disclose the cost, purpose, and text of legislation that is considered by

Congress. There should not be a bill that comes before Congress that we do not adequately and accurately know what it is designed to do. Have a measurement on it so we know it did what we designed it to do, know what it is going to cost, and then force ourselves to evaluate it.

This is the 111th Congress. In the 109th Congress, I held 47 oversight hearings. That was more oversight hearings than the entire rest of the Senate combined. You see, we do not want to do the oversight because it is hard work and you do not get great press clippings. It does not help your campaign, your political career. But we were not sent up here for a political career. We were sent here to do the best, right thing for the country as a whole.

Most of the problems we are seeing are parochial in nature, where we have concentrated on what is best for our State at the expense of what is best for our country. I would posit that my State, Oklahoma, and the Presiding Officer's State cannot be healthy if the country is not healthy. They cannot be. Yet when our focus becomes more parochial than national, we actually undermine our future as a country.

No. 8, require the Congress to justify the creation of new government programs that duplicate existing ones. I am notorious for not letting bills get to the floor because they duplicate something that has already been done. We have created a new program, but we did not eliminate the old one, so now we have both of them running. I usually get beat. I usually get rolled with 60 votes and we create the new program. But we never eliminated the one that was not working, and we never changed the one that was not working. So we just create another program.

Mandate that Congress has to do oversight—has to do it. It must do oversight. We can do that by changing our rules. But we do not have any interest in changing our rules. It is easier to coast and not do the hard job of oversight.

I will just finish up.

One of the things I have thought about—I am not sure it will be helpful, but right now in the trouble we are in, everybody who walks through this Capitol ought to be informed of how much debt we owe and what it is per person. We ought to have that. It is in my office. If you walk by—the Rules Committee will not let me put it in the hall; they say it does not look professional—I have a computer screen where, if you walk by my office, you can see the national debt clock ticking. Your eyes will roll as fast as it is coming up. Remember, we are borrowing about \$4 million a second. That is how fast it is going up.

So, anyhow, there are a lot of things we can do to stop the addiction.

I see the Senator from Georgia.

I ask the Senator, did you want to have some time? I will be happy to yield to you if you would yield back to me.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Madam President, I thank the Senator from Oklahoma for yielding. I will be brief.

But I spend a lot of time, as all of us do, listening to the speeches of our colleagues. I spend a lot of time thinking about what they say. I was compelled to come to the floor, as I heard the opening remarks by the Senator from Oklahoma, to tell a little story.

Talking about grandchildren, my wife and I are blessed. We have nine of them. This past Tuesday, June 15, was our 42nd wedding anniversary. Really, the rest of my life is about those grandchildren, to whatever extent I can do it, either as a grandfather or a legislator, trying to make sure we leave them a life that at least has the hope of opportunity as great as was left to all of us by the generations who preceded us.

A few weeks ago, in Albany, GA—actually a few months ago—I was making a speech, as all of us do, and used “a trillion” as easily as all of us do in our speeches. After my speech, I opened the floor for questions, and a gentleman at the back of the room said: I just can’t quite get my hands on how much a trillion really is. Can you explain it?

I was up there doing the best I could. I got the number of zeroes past a billion, and all this. But I could not quantify it to magnify the gravity of what that number means.

So when I got home that night, my wife of 42 years suggested: Why don’t you just figure out how many years have to go by for a trillion seconds to pass? I said: You know, that is a good idea. Everybody would understand that.

So I got the calculator out and multiplied 60 times 60 to get how many seconds are in an hour, 3,600; multiplied that by 24 to get how many seconds are in a day; multiplied that by 365 to get how many seconds are in a year. Then I divided that into 1 trillion. The answer is it would take 31,709 years for 1 trillion seconds to go by.

Thursday, 2 weeks ago, our debt went above \$13 trillion. So you can take that and multiply 13 times 31,709 and see how big that obligation is. If you spread it over a lot of people, you can reduce the number down to an amount that does not seem as big, but we are one country. It is our debt. To pay it off we do one of either three things: We inflate the dollar to a value that is so cheap that what everybody has is worthless, and you pay off the debt with cheap dollars, but you destroy your country or you can just look the other way and say: Well, maybe nobody else will care. Maybe they will still buy our debt. We are going to keep spending, which is kind of what appears to be happening now or you can do what American families have been doing all their lives, but in particular the last 18 to 24 months: you sit around the kitchen table—and in this case we sit around the conference table—and you start

setting your priorities to live within your means.

I just want to commend the Senator from Oklahoma because his examples about accountability for expenditures, doing away with redundancy and all those things—yes, that is hard to do, and, yes, it is tedious to do, and, yes, it is more fun to talk about other things, but that is what Americans are having to do, and they are having to do it big time right now.

So I just could not help but come to the floor, having just celebrated my 42nd wedding anniversary. Well, I did not get to celebrate it because I was here and she was in Marietta, but we are going to celebrate it this weekend. Thinking about my nine grandchildren and thinking about the challenges of the debt that is rising and the increase that is just in this bill alone—as well as some of the pay-fors in this bill, which actually are going to stunt growth even worse, like carried interest—I thought I would just come and commend the Senator from Oklahoma on being right on point.

We all might have different opinions of what ought to be cut and what ought to be moved and what ought to be removed from being redundant, but we ought to be at the table figuring out what those should be, making agreements we can live with, and making the future for our grandchildren at least as bright, as prosperous, and as free as the one our parents left to us.

I yield back to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Madam President, I thank the Senator from Georgia. It does not matter if you are a Democrat or Republican, liberal or conservative or Independent, what your faith is, what your sexual orientation is: Out of many one. But if we are not careful, that one is going to fall based on what we do, and the debt affects a liberal as much as it affects a conservative. It steals opportunity from liberal children as much as it does conservative children. We have to come to a point where we say: Enough is enough.

I was just thinking, as the Senator talked, the \$50 billion we are going to borrow from our kids with this bill, it would run the government of the entire State of Oklahoma for 8 years—every branch, every employee, pay all the costs, build all the highways, do everything we do for 8 years, just on what we are going to borrow.

When you start putting it down into, how much is \$50 billion?—we throw away billions like they were pennies here.

And how many years for a trillion seconds?

Mr. ISAKSON. That is 31,709 years.

Mr. COBURN. That is 31,709 years. So we are going to have a \$1.6 trillion deficit this year. Well, that is 50,000 years of seconds. Just this year, it is 50,000 years of seconds.

Let me go into the amendment a little bit and talk about it. The first sec-

tion of this amendment would require public disclosure of the amount of any new borrowing or spending approved by the Senate. In other words, it is about transparency. It is about letting the American people hold us accountable. It means that on the Senate Web site, after we make new spending decisions and borrowing decisions, we have to publicize it so the American people can see it, rather than hide behind it. It is simple. There is no score for it on savings. I guarantee it will save money, because if we know the American people are going to know what the financial consequences are of what we do with every vote, it is going to change some votes around here.

The other question we ought to be asking is why shouldn’t they know what we are doing and the ramifications of it. It is pretty simple. It is pretty straightforward. I have told the Rules Committee that I would pay out of my personal office budget the cost of that program. In other words, I would turn back over \$500,000 every year. I will pay for it out of my budget and make sure that is available, so there is no cost to it whatsoever. I will pay for it out of my budget, out of my office, so it doesn’t cost us anything. But it gives the transparency the President and I worked on in this body, and he wants to see from this body, and it makes it available to the American people. So we are going to get a vote on that.

It is important to know that with this bill, if it passes, we will have borrowed 59 plus 20, that is 79; 89, 97, 143, 513, 252, plus 50—\$302 billion since February 14, outside of the budget. That is outside of the budget. Now, \$300 billion will run Oklahoma for 40 years. We could run the whole State of Oklahoma for 40 years on what we have spent in 6 months. So why shouldn’t we let the American people see what we are doing, since it is going to cost nothing, and it is transparency, so they can hold us accountable? Why should we not do that?

The second thing that is important is in the last year, we have markedly increased—not counting the stimulus bill—the discretionary spending of the Federal Government. We didn’t leave ourselves out on that. Inflation was nothing, but we increased our own budget by 4.8 percent. So the other component of one of these amendments is that 4.8 percent, I say we give \$100 million of it back, which would be a third of that. That means we still get three times what the rest of the country got in terms of an increase, but it shows at least we are willing to let—and if anybody ran their office with any appropriateness, they would have a surplus as well every year. So it is not a hard cut, but it is important, since we gave ourselves a budget increase, that we demonstrate to the American people we are serious about doing it. Vote against it and say you don’t think so or vote for it and let’s put it in this bill. Let’s start showing the American

people we get it. We will do the right, best thing for the country in the long term.

I have occasional conversations with the President, and one of the things he has told his administration to do, and we heard it flatly rejected—not just rejected but flatly rejected on the basis of a lack of knowledge by the chairman of the Finance Committee. He has told every agency to find 5 percent in cuts. Those are the instructions he has sent out to the head of every agency. Why has he done that? Because he knows we have to. This portion of the amendment says that is exactly what we are going to do. We are going to cut 5 percent of the discretionary spending of every branch of government save Defense and Veterans. Some would say, Well, that is 1/20th of the budget. Yes, it is. But when you look at it in light of the size of the agencies today, in the last 10 years they are twice as big as they were 10 years ago. They have grown by an average of 10 percent per year and we can't find 5 percent or one-fifth of the growth they have had over the last 10 years that can be done more efficiently or as a lower priority or not as important? We can't find that? Yet, as the Senator from Georgia said, almost every family in this country is having to do that. We refuse to mandate that the Federal Government get on a diet, do things more efficiently, more effectively; take another look to see if it can be done a different way. It is called productivity increases. We can get that.

We won't ever get it if we don't ask for it. It is not a hard concept. We can do that. We allow the agencies to make those recommendations, and that is one of the things President Obama has already asked all of his agencies to do, to go find that 5 percent. That sends a wonderful signal to the American people that we get it.

It does something else that is important, and so will the defeat of this bill, and if we pass it with it being paid for. Right now in this country the value of our dollar is pretty good. The reason it is good is because people are worried about Japan and the value of the yen, and they are significantly worried about the Euro because of what is happening to Greece and now what is getting ready to happen to Spain. So money is rushing in. Smart money around the world in these other economies is rushing to hide in dollars. In about 2 years from now, that money is going to be sucked back out of here, because those economies will have made the hard choices of austerity with which to restabilize the Euro or their currencies. They will have done it.

What we need to send to the international finance market is a signal that says we too are way overextended and we are going to start making the appropriate choices to secure our financial future.

It was 2 months ago that Moody's put a notice out that said if things don't happen and start to change with U.S.

Government bonds, they are going to be downgraded from AAA to AA. That is a big downgrade. We have never had an AA rating. So all of a sudden, the world rating system is going to say that maybe an investment in our product, our dollars, is not what it should be.

We need to make sure that doesn't happen. We need to make sure we have sent a signal to the world. When we start doing things where we are paying for new things by cutting lower priority items, we send that signal. We build that confidence back. When we start paying for new bills and the extensions of benefits, we extend that back up.

We are going to hear—actually, we won't hear, because we won't hear anybody come out and debate against these things. What they will choose to do is to ignore them and then vote against them. So the American people won't hear a legitimate debate on why we shouldn't cut 5 percent across the board, letting them decide what areas are most important and recommending them to us; we won't have a debate. We won't debate, and then we will kill it, thinking it will go away. Well, the American people have gotten that already. That is not acceptable to the American people. If you think we shouldn't cut spending in the Federal Government, come out here and defend it. Come out here and give us a philosophical, logical reason why we ought to continue to steal from our children and grandchildren. We won't see that. We won't see a strong debate against each of the points I am going to make associated with this amendment. The real question ought to be: Why? Because it is indefensible to vote against it. That is why. You cannot see the waste, fraud, abuse, and duplication in this government and not say we can do better.

Section 4 of the amendment eliminates nonessential government travel. Do my colleagues realize that almost every government office now has audiovisual equipment for the ability to carry on a teleconference anywhere in this country and overseas? Yet, last year, we spent—no, 2 years ago we spent—the data is behind—we spent \$13.8 billion on airline tickets and hotels for Federal Government employees of which over half was nonessential. In 2006, \$3.3 billion was spent on airfare. In 2007, \$3.5 billion was spent on airfare. In 2008, \$4 billion was spent on airfare. We can't get the numbers for 2009 yet. Hotel rooms, \$2.3 billion, up to \$2.5 billion. Car rentals, from \$423 million to \$437 million. Most of this can be done by teleconferencing. Why wouldn't we say at a time when we are borrowing \$1.6 trillion from our kids that maybe we ought to teleconference rather than get on an airplane? I can tell you it is a whole lot easier than traveling 1,600 miles twice a week. So what does this do? It saves us money.

One of my favorite ways of saving money is to cap the printing costs in

the Federal Government. We have examples of it right here. Every day, we put a Calendar of Business out, we put an Executive Calendar out, and we publish the CONGRESSIONAL RECORD, and we print hundreds of thousands of copies. You know what. It is all on line. We can save \$4 billion over the next 10 years by printing limited amounts of things we need and not printing some things everybody else has access to on a computer. Why would we not do that? Why would we not cap our printing costs? Think of the thousands of acres of trees we can save every year. What we know is every year, Federal employees, through our direction, spend \$1.3 billion on printing. The analysis by GAO says \$440 million of that is unnecessary. So over 10 years, that is \$4.4 billion. That is \$4.4 billion that we won't take from Madeline. Madeline and her other 3- and 4-year-olds won't have to pay it back. Remember, they won't be paying \$4.4 billion back; they will be paying the compounded interest that will double that debt in 10, 12 years. In 20 years, it will triple it. In 30, it will quadruple it. So they won't be paying \$4.4 billion back, they will be paying \$20 billion back. Why would we not do that? Why would we not make this decision to do that? It has been rejected by this body in the past.

Before the Bush administration left, I was working with them on unused Federal real property. We have billions, if not hundreds of billions, in underutilized Federal property owned by the taxpayers.

We spend \$8 billion a year maintaining buildings we are not using. Think about that. We are spending \$8 billion a year maintaining buildings we are not using. But we can't sell them because there is a little bill called the McKinney-Vento Act that says every used building in the Federal Government has to be offered as a homeless shelter first—even if it is an airplane hangar on a closed military base.

We created a bureaucracy nightmare that doesn't allow us to do that. Consequently, we could take a tenth of the \$8 billion we are spending and appropriate that directly to the homeless and save \$7.2 billion a year. But this body has rejected that as well. They voted it down. They didn't give a reason, they just voted it down. We have 46,745 underutilized properties, 18,849 properties we are not using at all, and a total of 65,000 properties we are not utilizing with an estimated value of \$83 billion. That's \$83 billion of property you are paying the maintenance on that we are not using, that we could sell and pay for almost all of this bill. But we won't do it.

Of course, we don't buy many properties anymore. The reason for that is because of the way our budget scoring is, even though it would be smarter to buy it because the total cost of the building is charged to the agency in the year in which the building is completed. None of the agencies are buying buildings anymore, they are renting

them. We should not be renting the first building. We should be getting rid of the \$85 billion worth of buildings we don't need and buying a building, because you can own a building a lot cheaper than renting one—maybe not last year, but commercial rates are coming back up. Yet we don't do it.

Since 2005, out of this \$85 billion, because of the bureaucratic nightmare of steps you have to go through, we have only sold \$2.5 billion worth of an \$85 billion portfolio. None of you would do that with your own property. If you had property out there that you owned, and you were spending 10 percent of the value of that property every year maintaining it, and you weren't utilizing it, and you had an opportunity to sell it, you would sell it. Not the Federal Government. We ought to be asking why. Who took a stupid pill to say not to do that?

Some of the properties are not of any value, so we ought to demolish them, because it costs less to do that than to maintain them. I will give you a run-down on some of them. On the buildings we now have, which we are utilizing, we have a maintenance backlog of \$35.5 billion. We are spending money on buildings we don't want, maintaining them, but we can't take care of the buildings we have because we don't have enough money because we are spending it on buildings we don't use.

Section 7 provides that the Department of Defense would auction new, unused, or excellent condition excess inventory to the highest bidder, rather than transferring it at no cost to State agencies and others. You buy tons of stuff every year through the Defense Department that they don't need. As a matter of fact, they don't even know what they have. It is sitting in warehouses around the country. And what do we do when we figure out we don't need it? We give it away. When we are \$13.2 trillion in debt, it is time to stop giving it away. It is time to get some value for the American taxpayers who paid retail price for that and turn around and sell it. It has been voted on before and rejected.

I mentioned in my opening words about capping the total number of Federal employees this year. That is called a hiring freeze. But it is not a hiring freeze because if you have retirements, you can replace them. We added 160,000 Federal employees in the last 16 months. We have only have an increase in net new jobs of about 450,000. Almost 50 percent of the net new jobs have been Federal jobs—at a time when our deficit is going to be one of the highest on record.

I say time out. I say do it with whom you have. If you have retirements, or people who leave, replace them, but don't increase the numbers anymore. Those numbers don't include the census of 441,000 temporary workers we have hired and will go away. How else are we going to get our budget under control if we don't do it in terms of personnel?

The other thing is, if you look at the process over the last few years on Federal employees—and I will say it again—I will discuss the fact that those of us who think we are in a crisis moment in our country and feel we ought to be making tough choices would say we ought to freeze total salary costs. That is not a salary freeze per individual. That is just saying that in this department, this agency, here is how much you are going to spend on salaries, and we are not going to go up this year. We are not going to raise the total amount we spend on salaries this year. That still allows every manager great flexibility. You can promote and give raises to people who are performing. But you can't increase the total amount of money.

Why is that important? There is an article in today's paper that OPM is starting to look at it. We looked at it, and here is what we know: In 1999, the average Federal salary was \$49,536. It is now \$78,806. Inflation during that period of time averaged 2.4 percent. Salary increases during that period of time averaged 4 percent—1½ times the rate of private pay increases in this country.

What happened to benefits? Average personnel benefit per Federal employee is nearing \$40,000 per year. Depending on how much you make, that may seem like a lot, or not, but when you look at the average private sector pay, it is \$42,000. It is \$36,000 less than the average Federal employee is paid. I don't want Federal employees to get a cut. I just don't think we ought to increase them at a time when most people aren't getting pay increases. I don't think we ought to increase Federal pay.

The benefit differential is even more stark. The average for benefits for the average person in this country, who doesn't work for the Federal Government, is \$20,000 per year. So we have almost twice as rich a benefit, or 1½ to 2 times as rich a benefit for Federal employees as everybody else in the country who is employed. I am not saying cut them. I am saying for 1 year let's not let it increase. Let's do right by the American people, who are struggling, and let's do right by the grandchildren and young children in our country by putting some common sense into what is allowable, given that we are in a time of crisis. We voted on that before. It failed.

Federal employees also have, unpaid to the Federal Government, \$3 billion in back taxes, and that is not under dispute. Federal employees, who average \$78,000 a year, owe the Federal Government \$3 billion. I say they ought to be paying that. I say it ought to be coming out of their wages. It is time to not allow that as a condition of your employment anymore. It seems unconscionable to me that you cannot pay your taxes, when you make \$78,000 a year, and we are not going to force you to pay them. So it is a \$3 billion savings, but it is an important signal to

send to people: We are all paying taxes, and you ought to, too, since you make 1½ times what the average person in this country makes.

We talked earlier about section 11. It eliminates the awarding of bonuses to government contractors when they have unsatisfactory performance. That is a no-brainer. Nobody in the private sector is going to give a bonus to somebody who isn't performing. But the Federal Government does it all the time. We need to statutorily say you cannot do that anymore.

We now know that we spent \$6.2 billion at the United Nations last year. We have no transparency from them on how our money was spent. We know we account for 25 percent of their regular budget and 26 percent of the peacekeeping budget. We did get a little piece that leaked data on an audit. We know that nearly 40 percent of the money spent on peacekeeping is defrauded. Our voluntary additional contributions to the U.N. were \$1.3 billion last year.

All this amendment says is, don't give more than a billion to an incompetent organization where we cannot find out where they are spending our taxpayer money. It is a ridiculous commitment. Why would we even let them have a billion? At least save \$3 billion a year over the next 10 years, but by not allowing that to go forward.

I want to talk about one other thing I think is important that most of this body has voted against several times. We have \$1.7 trillion sitting in the bank—money that the Congress has appropriated to be spent in outyears. Almost \$700 billion of that has not been obligated for anything. Yet we have T-bonds and T-bills we are paying interest on while that sits over there.

Prudent management would say that rather than borrow more money, you would use money from the bank account you already have. So this portion of the amendment takes \$50 billion out of that \$700 billion. We ought to eliminate it all, if it is unobligated. I recognize they have to have some movement back and forth, but they will never notice that \$50 billion that isn't in the unobligated balances, and when that expenditure comes, we can appropriate money for it. We are letting money sit idle while we borrow additional money to do additional things. This simply says that we move \$50 billion out of that.

Section 18 is about getting energy efficiency at the Department of Energy.

Section 19—I talked to one of the Senators from California on this amendment. I am not opposed to fixing the problems with Medicare, the statistical inaccuracies in their payments, but I am opposed to not fixing it for the five other States that have it as well.

It is unfair to take the State of California when the States of Georgia, Minnesota, Ohio, and Virginia all have exactly the same problem. Yet in this bill, as we heard Senator GRASSLEY say



earlier, we only fixed one of the States. That is called an earmark. There is nothing wrong with fixing it for California, but there is plenty wrong with fixing it for California but not fixing it for these other four States. If it is something that needs to be fixed, why would we advantage California over these other States? It is called favoritism. It is called exceptionalism. It says that the citizens of California are worth more in this country than the citizens in Ohio and Georgia and Virginia and Michigan. They are not. If it is a problem that needs to be addressed, let's address the whole problem.

Why did they not address the whole problem? Because it would have cost more money. We are going to borrow \$400 million per year to fix it in California, and that is OK but it is not OK to fix it in the other States. That is inherently unfair, it borders on the unethical, and it is exactly the type of thing the American people reject. If there is a problem, fix it for everybody. Do not single out one group of people at the expense of the rest of Americans.

Finally, this amendment eliminates all tax increases in this bill. The last thing we need to be doing right now is decreasing capital formation in this country, decreasing the ability to invest in new ideas, decreasing the capability of small businesses, which this bill goes after in terms of their subchapter S status, and making it more expensive to start a new business or keep one running when 70 percent of the jobs that are created in this country—and we are hurting for jobs—are created by small businesses.

This amendment has 20 segments, and we are going to have 20 votes. We are going to see where this body lines up on these issues. Vote against common sense at your peril. Vote against the future of our country. Vote against Madeline and everybody else like her. Vote to increase the debt even higher. Vote to increase the size of the Federal Government. Vote to undo pay-go again. Continue doing what we are doing, and what we will see is the American people are going to reject that. They are rejecting it now. It is high time we started listening to the American people.

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

The PRESIDING OFFICER (Mr. BURRIS). The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

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

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

Mrs. HUTCHISON. Mr. President, I ask to speak as in morning business.

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

Mrs. HUTCHISON. Mr. President, I wish to talk about the oilspill that is absorbing so much of the time and at-

tention of our country. There is a minor point, one that I think needs to be addressed right now, and that is the Jones Act.

The Jones Act was put in place in 1920 to ensure that the United States was able to maintain a fleet of merchant ships. It was really for protection of U.S.-flagged carriers against competition from foreign carriers that might undercut our ability to have profitable merchant ships.

The Jones Act is currently preventing resources, however, from being used in the massive cleanup in the Gulf of Mexico. This legislation that has been on the books since 1920 is hindering foreign vessels from assisting gulf communities as they work to prevent oil from reaching their shores.

Currently, foreign vessels need to obtain a Jones Act waiver from the Federal Government in order to help with the cleanup efforts. For many of the vessels wishing to respond, this request needs to be reviewed by three separate agencies—the Coast Guard, the Maritime Administration, and Customs and Border Protection. That is three layers of bureaucracy when time is of the essence. During this crisis, we need to cut through the redtape. We must get all available assets on the scene as quickly as possible. I think everyone agrees.

Other countries have offered their services. They have offered to help. There are European countries that also drill in the oceans and waters on their shores, and they have offered to send ships to help to try to absorb the oil and skim it off. There are volunteers waiting with the right equipment, and they are willing to come to our aid. We should know that with oil leaking from the ocean's floor, the natural resources of the gulf are being destroyed as we speak. We need every resource at our disposal to prevent further destruction. In my State of Texas, I have a constituent who would like to provide equipment to aid in the cleanup—his ship has a foreign flag—but he is unable to help because no waiver has been issued to the Jones Act in this particular crisis.

There is precedent for waiving the Jones Act in disasters. It has been waived to speed up disaster responses in the past, including a waiver that was issued in the aftermath of Hurricane Katrina nearly 5 years ago. It was done by the Executive with an Executive order.

Without this key waiver, foreign vessels are prohibited from working with their American counterparts to skim the oils from the water of the gulf within 3 miles of shore. Of course, that is where we desperately need to have the most help to skim the oil before it reaches and damages our shores.

That is why next week I intend to introduce legislation that will waive the Jones Act for vessels whose sole intent is to assist in the cleanup of the Gulf of Mexico. We will ensure these foreign ships will work under the auspices of

the Coast Guard. We will make sure there is a clearinghouse for them, but we should not be waiting to have three different Federal agencies look at a Jones Act waiver request when we know what is happening in the Gulf of Mexico. We see the pictures every day. This waiver would be applied for a period of time that is necessary to respond to this oilspill and restore the waters of the Gulf of Mexico during this emergency.

The Federal response to this spill has been a little short of immediate. It has been a day late and a dollar short, and that is not acceptable. It is time that Congress does what we can with the resources we have to urge the administration to act while it can to mitigate the damages we know are already there. It is time for us to be proactive. It is time for us to act.

I look forward to having cosponsors. I am in the process of getting this bill in order now. I want to work with my colleagues on both sides of the aisle. Our Gulf States have a bipartisan senatorial delegation. I want to help to do everything possible. If we can waive the Jones Act for this disaster with all of the appropriate cautions that are necessary and get those foreign ships that are ready to help our country, that have offered to help our country, to get into the 3-mile limit before this oil does further damage to our coast and to the wildlife and to the natural resources on our coast, we need to do it. This is something that should have been done weeks ago. It was not done.

It is time for Congress to step in. I hope my colleagues will help us move this legislation expeditiously and urge the administration to do what is within their realm, even before Congress acts. That would be my wish. If the President would issue an Executive order, that would do it. But since he has not and since weeks have passed, it is time for Congress to take the reins and try to do everything that is within our power to mitigate the damage to the Gulf of Mexico.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest 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. REID. Mr. President, I ask unanimous consent that the vote on the motion to invoke cloture on the Baucus motion to concur in the House amendment to the Senate amendment to H.R. 4213 with amendment No. 4369 occur at 7:30 p.m. this evening.

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

Mr. BAUCUS. Mr. President, I ask unanimous consent that my motion to concur in the House amendment to the Senate amendment to H.R. 4213 with an amendment be modified to provide for

technical changes to my amendment which are at the desk.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, I will have to object simply because we haven't read it yet. We are going to take a look at it. Quite possibly, after figuring out what it is, we might not object, but for the moment I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BAUCUS. I renew the request and let the leader reserve the right to object again. The modification is to provide that the enterprise value, the good will of a partnership interest which is sold, would be valued at 50 percent cap gains, 50 percent ordinary income. That is the provision those in the industry who cared about carried interest agreed to. That was the intent in the underlying substitute amendment. Unfortunately, when the amendment was drafted, there was a glitch which did not fully provide for what I just described. It is my full intent for the substitute amendment to provide for what I just stated; namely, that the good will value, enterprise value of the sale of a partnership interest, be valued at 50 percent cap gain and 50 percent ordinary income. It is unfortunate that we are unable to make that change.

Mr. McCONNELL. Mr. President, I appreciate that explanation. As the chairman of the committee knows, we still need to see the actual amendment, and we will take a look at it.

#### CLOTURE MOTION

The PRESIDING OFFICER. Pursuant to rule XXII, the clerk will report the motion to invoke cloture.

The assistant bill 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 the motion to concur in the House amendment to the Senate amendment to H.R. 4213, the American Workers, State, and Business Relief Act of 2010, with the Baucus amendment No. 4369.

Harry Reid, Max Baucus, Patrick J. Leahy, Jeanne Shaheen, Byron L. Dorgan, Sherrod Brown, Edward E. Kaufman, Daniel K. Akaka, Christopher J. Dodd, Jeff Bingaman, Robert P. Casey, Jr., Jack Reed, Barbara A. Mikulski, Roland W. Burris, Jon Tester, Daniel K. Inouye, Tom Harkin.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to concur with amendment No. 4369 to the House amendment to the Senate amendment to H.R. 4213, the American Workers, State, and Business Relief Act of 2010, shall be brought to a close?

The yeas and nays are mandatory under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. BYRD) is necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from South Carolina (Mr. GRAHAM), the Senator from Missouri (Mr. BOND), and the Senator from Kansas (Mr. ROBERTS).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 40, as follows:

[Rollcall Vote No. 194 Leg.]

#### YEAS—56

Akaka	Franken	Murray
Baucus	Gillibrand	Nelson (FL)
Bayh	Hagan	Pryor
Begich	Harkin	Reed
Bennet	Inouye	Reid
Bingaman	Johnson	Rockefeller
Boxer	Kaufman	Sanders
Brown (OH)	Kerry	Schumer
Burris	Klobuchar	Shaheen
Cantwell	Kohl	Specter
Cardin	Landrieu	Stabenow
Carper	Lautenberg	Tester
Casey	Leahy	Udall (CO)
Conrad	Levin	Udall (NM)
Dodd	Lincoln	Warner
Dorgan	McCaskill	Webb
Durbin	Menendez	Whitehouse
Feingold	Merkley	Wyden
Feinstein	Mikulski	

#### NAYS—40

Alexander	DeMint	McCain
Barrasso	Ensign	McConnell
Bennett	Enzi	Murkowski
Brown (MA)	Grassley	Nelson (NE)
Brownback	Gregg	Risch
Bunning	Hatch	Sessions
Burr	Hutchison	Shelby
Chambliss	Inhofe	Snowe
Coburn	Isakson	Thune
Cochran	Johanns	Vitter
Collins	Kyl	Voinovich
Corker	LeMieux	Wicker
Cornyn	Lieberman	
Crapo	Lugar	

#### NOT VOTING—4

Bond	Graham
Byrd	Roberts

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 40. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader is recognized.

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to Calendar No. 210, H.R. 3962, and that the Baucus substitute amendment, which is at the desk, be considered and agreed to; that the bill, as amended, be read the third time, passed, and the motion to reconsider be laid upon the table; that any statements relating thereto be printed in the RECORD, as if read, with no further intervening action or debate.

Mr. President, what this is, as of Tuesday, the doctor fix—the reimbursement for Medicare physicians—expired. The administration was able to—the Health and Human Services Department—extend that for 3 days. It runs out, I think, tomorrow. It is still good until tomorrow. So if we don't do this, not only will doctors who take Medicare patients get a 21-percent cut, in addition to that, so will others that are based upon Medicare reimbursements—veterans, insurance companies, HMOs, even TRICARE and the military. It will be a shame if this weren't agreed to. Remember, it is paid for. It

is not a question of running up the debt.

My friends on the other side have the opportunity to take care of the doctors for the next 6 months, fully paid for. If not, there is going to be havoc in America starting tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, reserving the right to object, we just got this a few moments ago. We are going to take a look at it. I think we are all hoping we can come up with a way to do the so-called doc fix and in a paid-for fashion, but for today I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to a bill to provide for an extension of unemployment insurance provisions that are in this bill we just had a vote on, for an extension of unemployment insurance provisions; that the bill be read the third time, passed, and the motion to reconsider be laid upon the table; that statements relating to the matter be printed in the RECORD, as if read, with no further intervening action or debate.

Mr. President, this is extending unemployment benefits for people who have been out of work a long time. As Mark Zandi, Senator McCain's chief economic adviser, says, nothing stimulates the economy more than giving an unemployment check to somebody who has been unemployed for a long period of time.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, we are still working together, on a bipartisan basis, to try to figure out how to go forward. For the moment, I object.

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of a bill—the provision in this bill we just dealt with—to extend the temporary increase of the Medicaid FMAP through June 30, 2011; that the bill be read the third time, passed, and the motion to reconsider be laid upon the table; that any statements relating to the matter be printed in the RECORD, as if read, with no further intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, this issue is currently covered through the end of this calendar year. This matter doesn't have the urgency at the moment that some of the others arguably do. We still have 6 months to address this issue. Therefore, for the moment, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, here is one I hope we don't have objection to. If there were ever a bipartisan piece of legislation, this is it. This is legislation originally devised by the Senator from Georgia, JOHNNY ISAKSON. It has been good for the economy—the first-time home buyers tax credit.

Right now, there are hundreds of thousands of people who have qualified for this first-time home buyers tax credit. The problem is that the banks processing the paper are taking too long. If we don't extend this time, they will lose the opportunity to buy a home for the first time. It is fully paid for. It passed by a large margin. It seems that we should at least get this done tonight. It would allow these papers to be processed. I cannot imagine why something as bipartisan as this should not go forward.

I ask unanimous consent that the Finance Committee be discharged from H.R. 4994, and that the Senate proceed to its consideration; that the amendment we dealt with yesterday, the so-called Reid amendment, which is at the desk, be considered and agreed to; the bill, as amended, be read the third time, passed, and the motion to reconsider be laid upon the table; that any statements relating to this matter be printed in the RECORD, as if read, with no further intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Mr. President, the majority leader is entirely correct that there is support on both sides for the step he recommends we take. Senator ISAKSON has been the leader on this issue on our side. However, incredibly, CBO has decided this costs money, which nobody can quite understand. So there is still a disagreement over how to pay for it. There is an agreement on the result, but there is a disagreement on how to pay for it, since CBO has decreed that it will cost the government money.

We are going to have to continue to work on this and, therefore, for the moment I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MCCONNELL. Mr. President, with respect to some of the previous consents, Americans are frustrated with the amount of spending and borrowing we are doing here. We have an opportunity to show the American people that we can be fully responsible and cut spending elsewhere. Earlier today, we voted for a bill that would have cut the deficit by almost \$70 billion. Let's not wave on through legislation that is going to worsen the deficit and dig an even deeper hole than we are currently in.

Americans want us to show that we are serious about lowering the debt. Therefore, I have a consent to extend all of these expired provisions, including unemployment insurance and the doc fix. I will propose that now.

I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 411, S. 3421; further, that the bill be read the third time and passed, and the motion to reconsider be laid upon the table.

Before the Chair rules, for clarity, this is a paid-for 30-day extension of the extenders bill, which includes un-

employment insurance, the doc fix, COBRA, flood insurance, and the extension of the small business loan guarantee program, and the 2009 Federal poverty guidelines.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, reserving the right to object, how is it paid for, I ask my friend?

Mr. MCCONNELL. With stimulus money.

Mr. REID. That is what I thought. First of all, that money is not there; it is obligated. I also say this. The economic recovery money—the stimulus money—has created millions of jobs in America today—at least 3 million. But the best bang for the buck will come in the next quarter of this year. All the economists say that. It has taken a while to get the programs up and running. This would be taking good money that will create lots of jobs. We are all aware of the deficit. We are all aware of that. We understand where it came from. We understand that President Obama found himself elected President in a huge hole created by the one who was President before him. That is the reason we passed the recovery bill. It wouldn't be right, with the country still struggling to gain its economic viability, to cut the legs out from under this program that has worked so well.

I think this is the wrong way to go. I think it is too bad that we are trying to take good money and abuse it. So I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Wyoming is recognized.

Mr. BARRASSO. Mr. President, I ask unanimous consent that the pending business be set aside and I be allowed to call up my amendment No. 4313, which is at the desk.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. Mr. President, I object. The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I suggest the absence of a quorum—

The PRESIDING OFFICER. The Senator from Wyoming still has the floor.

Mr. BARRASSO. Mr. President, I am trying to get my amendment No. 4313 pending so we can have an up-or-down vote. It is unfortunate that this has been blocked.

This amendment fixes flaws in the Cobell v. Salazar settlement, which is important to Indian country. These fixes will benefit thousands of class members involved in this suit.

Congress has a responsibility, when they know legislation is broken, to fix it. The Cobell settlement legislation is no different. I will continue to raise this issue as long as the debate on this bill is occurring.

I yield the floor.

Mr. GRASSLEY. Mr. President, at around lunchtime, the Senate voted on Senator THUNE's alternative to the Democratic leadership's extender bill.

Senator THUNE's amendment took the exact opposite approach to the Democratic leadership's substitute. It cuts taxes by \$26 billion by extending current law. It cut spending by over \$100 billion, and reduced the deficit by \$68 billion. Those are Congressional Budget Office, CBO, and Joint Committee on Taxation estimates.

According to the Congressional Budget Office, CBO, the current version of the Democratic leadership's extenders substitute would increase direct spending by about \$105 billion through 2020 and raise revenues by about \$50 billion over that period, resulting in a net deficit increase of about \$55 billion for the 2010–2020 period.

The contrast couldn't be clearer. The Republican Conference, along with one member of the Senate Democratic Caucus, voted to change the bottom-line fiscal effects of the Democratic leadership's extender substitute. The Thune amendment would reduce the deficit by \$13 billion more than the amount the Democratic leadership's extender substitute would add to the deficit. Senator THUNE's amendment reached this better fiscal result by restraining Federal spending.

All but one of the Democratic Caucus who were present, 57 Senators, voted against Senator THUNE's amendment.

The junior Senator from Florida, one of the 41 Senators who voted for Senator THUNE's amendment, came to the Senate floor to highlight the differences between the Democratic Caucus and the Republican Conference in the approach to this extender bill.

The junior Senator from Michigan also made some comments on the current fiscal problems. She made her arguments in response to comments from the junior Senator from Florida. Last year, at about this time, there was a lot of revision or perhaps editing of recent budget history. I expect more of it from some on the other side.

The President signaled as much in an interview with George Stephanopoulos a few months ago. I agree with the President that there's a lot of revisionism in the debate.

The revisionist history basically boils down to two conclusions:

1. That all of the "good" fiscal history of the 1990s was derived from a partisan tax increase bill of 1993; and
2. That all of the "bad" fiscal history of this decade to date is attributable to the bipartisan tax relief plans.

Not surprisingly, nearly all of the revisionists who spoke generally oppose tax relief and support tax increases. The same crew generally support spending increases and oppose spending cuts.

In the debate so far, many on this side have pointed out some key, undeniable facts. The stimulus bill passed by the Senate, with interest included, increases the deficit by over \$1 trillion. The stimulus bill was a heavy stew of spending increases and refundable tax credits, seasoned with small pieces of tax relief. The bill passed by the Senate had new temporary spending, that,

if made permanent, will burden future budget deficits by over \$3 trillion. That is not CHUCK GRASSLEY speaking. It is the official Congressional scorekeeper, the Congressional Budget Office, CBO.

All of this occurred in an environment where the automatic economic stabilizers thankfully kicked in to help the most unfortunate in America with unemployment insurance, food stamps and other benefits.

That antirecessionary spending, together with lower tax receipts, and the TARP activities has set a fiscal table of a deficit of \$1.4 trillion for the fiscal year that ended several months ago. That is the highest deficit, as a percentage of the economy, in post-World War II history.

Not a pretty fiscal picture. And it is going to get a lot uglier with the budget put forward by the President this year. It's the same result under the budget crafted last year by the Democratic leadership. So, for the folks who see this bill as an opportunity to "recover" America with government taking a larger share of the economy over the long-term, I say congratulations. You have recovered America with a vast expansion of government and the American people have a lot of red ink to look forward to.

Members who voted for the budget and the fiscal policy envisioned in it put us on the path to a bigger role for the government. But supporters of that fiscal policy need to own up to the fiscal course they are charting.

That's where the revisionist history comes from. From the perspective of those on our side, it's seems to be a strategy to divert, through a twisted blame game, from the facts before us. How is the history revisionist? Let's take each conclusion one-by-one.

The first conclusion is that all of the "good" fiscal history was derived from the 1993 tax increase. To test that assertion, all you have to do is take a look at data from the Clinton administration.

The much-ballyhooed partisan tax increase of 1993 accounts for 13 percent of the deficit reduction in the 1990s. Thirteen percent. That 13 percent figure was calculated by the Clinton administration's Office of Management and Budget, OMB.

The biggest source of deficit reduction, 35 percent, came from a reduction in defense spending. Of course, that fiscal benefit originated from President Reagan's stare-down of the communist regime in Russia. The same folks on that side who opposed President Reagan's defense build-up take credit for the fiscal benefit of the "peace dividend."

The next biggest source of deficit reduction, 32 percent, came from other revenue. Basically, this was the fiscal benefit from pro-growth policies, like the bipartisan capital gains tax cut in 1997, and the free-trade agreements President Clinton, with Republican votes, established.

The savings from the policies I have pointed out translated to interest sav-

ings. Interest savings accounts for 15 percent of the deficit reduction.

Now, for all the chest-thumping about the 1990s, the chest thumpers, who push for big social spending, didn't bring much to the deficit reduction table in the 1990s. Their contribution was 5 percent.

What's more the fiscal revisionist historians in this body tend to forget who the players were. They are correct that there was a Democratic President in the White House. But they conveniently forget that Republicans controlled the Congress for the period where the deficit came down and turned to surplus. They tend to forget they fought the principle of a balanced budget that was the centerpiece of Republican fiscal policy.

Do my friends on the Democratic side remember the government shutdown of late 1995? Remember what that was about? It was about a plan to balance the budget. Republicans paid a political price for forcing the issue, but, in 1997, President Clinton agreed. Recall as well all through the 1990s what the year-end battles were about.

On one side, congressional Democrats and the Clinton administration pushed for more spending. On the other side, congressional Republicans were pushing for tax relief. In the end, both sides compromised. That is the real fiscal history of the 1990s.

Let's turn to the other conclusion of the revisionist fiscal historians. That conclusion is that, in this decade, all fiscal problems are attributable to the widespread tax relief enacted in 2001, 2003, 2004, and 2006.

In 2001, President Bush came into office. He inherited an economy that was careening downhill. Investment started to go flat in 2000. The tech-fueled stock market bubble was bursting. Then came the economic shocks of the 9-11 terrorist attacks.

Add in the corporate scandals to that economic environment.

And it is true, as fiscal year 2001 came to a close, the projected surplus turned to a deficit.

In just the right time, the 2001 tax relief plan started to kick in. As the tax relief hit full force in 2003, the deficits grew smaller. This pattern continued up through 2007.

If my comments were meant to be partisan shots, I could say this favorable fiscal path from 2003 to 2007 was the only period, aside from 6 months in 2001, where Republicans controlled the White House and the Congress. But, unlike the fiscal history revisionists, I am not trying to make any partisan points, I am just trying to get to the fiscal facts.

There is also data that compares the tax receipts for 4 years after the much-ballyhooed 1993 tax increase and the 4-year period after the 2003 tax cuts.

In 1993, the Clinton tax increase brought in more revenue as compared to the 2003 tax cut. That trend reversed as both policies moved along. Over the first few years, the extra revenue went

up over time relative to the flat line of the 1993 tax increase.

So, let's get the fiscal history right.

The progrowth tax and trade policies of the 1990's along with the "peace dividend" had a lot more to do with the deficit reduction in the 1990s than the 1993 tax increase. In this decade, deficits went down after the tax relief plans were put in full effect.

No economist I am aware of would link the bursting of the housing bubble with the bipartisan tax relief plans of 2001 and 2003. Likewise, I know of no economic research that concludes that the bipartisan tax relief of 2001 and 2003 caused the financial meltdown of September and October 2008.

As I said, from the period of 2003 through 2007, after the bipartisan tax relief program was in full effect, the general pattern was this: revenues went up and deficits went down.

That is the past. We need to make sure we understand it. But what is most important is the future. People in our States send us here to deal with future policy.

They don't send us here to flog one another, like partisan cartoon cut-out characters, over past policies. They don't send us here to endlessly point fingers of blame. The substitute before us takes us in the direction of more deficits and debt. The Thune amendment, which was rejected by most of the Democratic Caucus, would have put us on a path in the opposite fiscal direction. My friends on the other side fool no one if they pretend that the fiscal choices made by the Democratic Leadership and the President over the last year have nothing to do with this rapidly rising debt.

President Obama rightly focused us on the future with his eloquence during the campaign. I would like to paraphrase a quote from the President's nomination acceptance speech:

We need a President who can face the threats of the future, not grasping at the ideas of the past.

President Obama was right.

We need a President, and I would add Congressmen and Senators, who can face the threats of the future. Grasping at ideas of the past or playing the partisan blame game will not deal with the threats to our fiscal future.

It is not too late to correct the excesses of the stimulus bill or the bloated appropriations bills that will come. The Senate missed an opportunity, with a partisan rejection of Senator THUNE's alternative.

Senator MCCASKILL's and SESSIONS' amendment, which calls for a time out on the exponentially rising levels of appropriations spending, is a good start. The President called on the Democratic leadership to do something similar. That is what the American people want and need. There is a way to reach a real bipartisan compromise, not just picking off a few Senators that frequently vote with the Democrats.

## MORNING BUSINESS

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

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

75TH ANNIVERSARY OF  
ALCOHOLICS ANONYMOUS

Mr. BROWN of Ohio. Mr. President, I rise today to honor the legacy of Dr. Robert Smith, cofounder of Alcoholics Anonymous, which is celebrating this year its 75th anniversary.

Dr. Smith, commonly referred to as Dr. Bob, was a prominent surgeon in my State in Akron, OH, when his friend, Henrietta Seiberling, an heir to the Goodyear fortune, introduced him to New Yorker Bill Wilson in 1935.

Dr. Bob and Bill Wilson's discussion that year on Mother's Day in Gate Lodge on the grounds of the Seiberling's Stan Hywet estate laid out the framework for the modern-day Alcoholics Anonymous.

Having shared the common disease of alcoholism, Dr. Bob and Bill Wilson recognized the need to offer dignified healing of sobriety for all people who struggle with the disease of alcoholism.

What started as an informal conversation in Gate Lodge on the Stan Hywet estate led to small group meetings and conversations at the home of Dr. Bob and his wife Anne on Ardmore Avenue.

Dr. Bob and Anne subsequently opened their home to those seeking sobriety, and the understanding of the 12 steps that Dr. Bob and Bill Wilson were refining.

As one of Akron's premier physicians at Summa Health's Akron City Hospital, Dr. Bob also understood that prevailing medical treatment was inadequate in treating a disease that did not discriminate among gender, age, culture, wealth, or social standing.

This was an era when alcoholism was not understood as a disease, so those seeking treatment were not admitted to hospitals.

Dr. Bob and Bill understood that the alcoholic needed the help of the "Angel of Alcoholics Anonymous," Sister Mary Ignatia and St. Thomas Hospital.

Dr. Bob took to bringing alcoholics from the back entrance of the hospital up to empty rooms in Sister Ignatia's unit.

Sister Ignatia would ask Dr. Bob: Are they sick?

Dr. Bob would respond: Very sick.

Sister Ignatia replied: Then they shall come to the front door—a very different treatment of alcoholism than ever before.

Sister Ignatia and St. Thomas Hospital then filled the void of the lack of formal treatment to help those battling alcoholism. They helped fill the gap in the lack of public and medical understanding of the disease.

Therein lies the root of the modern Alcoholics Anonymous—in Akron, OH, on Olive Street—where St. Thomas Hospital remains an institution committed to offering health services to those afflicted with alcoholism.

Since those early days 75 years ago in the 1930s, Dr. Bob and Sister Ignatia helped foment the public consciousness that alcoholism is, in fact, a disease; that it is never fully cured but only managed with self-determination and with family and community support.

Dr. Bob and Sister Ignatia imbued a sense of urgency in the movement where literally the common refrain for those who live the disease is to live one day at a time.

It is that sense of urgency that often found Sister Ignatia saying, "Time is running out and I must work while I can."

Earlier this week, the people of Akron gathered at St. Thomas Hospital to rename Olive Street "Dr. Bob's Way" to recognize his contribution to our Nation's history. And earlier this month, thousands of supporters of AA—alcoholics and family members throughout the Nation—traveled to Akron for Founders Day which celebrates the legacy of Dr. Bob and Sister Ignatia.

Many visitors traveled to Stan Hywet Hall where they walked along the pristine landscape, walking past the Gate Lodge where AA meetings continue to this day.

From that single conversation at Gate Lodge to Dr. Bob and Anne's home on Ardmore Avenue to St. Thomas Hospital on Olive Avenue, AA has turned into one of the most unified and diverse organizations in the world.

Since its earliest days, AA opened its doors and services to all those who seek it, regardless of gender, age, socio-economic status, or sexual orientation.

Fully self-funded, prominent statesmen and judges have sat alongside paupers and peasants—each seeking a shared experience and the support of each other.

Today, 117,000 groups totaling more than 2 million members live in more than 150 countries and are working with them and being helped by AA.

It all started in Akron, Ohio has often been an epicenter of our Nation's history—home of more Presidents, and poets to inventors and pioneers; first in light, first in flight—Thomas Edison, the Wright brothers, and so much else.

We are also part of our Nation and our world's basic humanity. Through the Great Depression to the wars in the

Pacific, Vietnam, Korea, Iraq, and Afghanistan, AA has been a source of strength for servicemembers and veterans.

Across borders and devoid of religious affiliation, AA has been a source of faith for one's self. Whether a factory worker or physician, parents and educators, all are alike. Regardless of one's station in life, AA has been a source of resiliency, demonstrating the capacity for all of us to see the better stronger angels within ourselves and within others.

To St. Thomas Hospital, now part of Summa Health, and the city of Akron, congratulations for carrying on Dr. Bob and Sister Ignatia's legacy for 75 years. More important, congratulations to the members and supporters of AA. Thank you for your service to our families, our communities, our Nation and for a greater humanity for all of us.

## TAX EXTENDERS

Mr. BROWN of Ohio. Mr. President, I want to talk about something else. I sat here, as did the Presiding Officer from Illinois, who was a strong supporter of passing this legislation that again failed because of the Senate's anachronistic, outmoded requirement of 60 votes, a supermajority. We could not get there because no Republicans—no Republicans—cooperated. We could not do today what we should do, and that is extend unemployment benefits to tens of thousands of Ohioans and millions of Americans. We could not extend the assistance to help them keep their insurance, which Senator CASEY has worked so hard on, something called COBRA, so that people who lost their jobs would not lose their insurance. We could not help those physicians who are about to face a 21-percent cut in their payments. We could not stop the outsourcing through our tax system of too many jobs abroad. We could not do any of that today because we did not get any cooperation.

I understand partisanship. I understand ideological differences. But what I don't understand is when I hear Republican after Republican stand on this floor and talk about the budget deficit, I am just struck. I have only been in this institution for 3 years. I was in the House of Representatives for 14 years before. I am struck by the utter hypocrisy when I hear Republicans all of a sudden decide deficits matter, all of a sudden decide everything needs to be paid for.

When I was in the House of Representatives, George Bush came to Congress and asked for the authority to go to Iraq and did not even try to pay for it. I voted no, but that is beside the point. It passed. It was not paid for.

Then President Bush came to the Congress again with a Republican majority and asked for huge tax cuts that overwhelmingly went to the richest Americans. They did not pay for that

either. They charged that to our grandchildren.

Then around the same time in the name of Medicare privatization, he asked for what he called a Medicare drug benefit, what I call a bailout for the drug and insurance industry, tens of billions in subsidies to drug companies and insurance companies, and they did not pay for that either.

Throughout the first decade of this century, Congress has spent close to \$1 trillion on wars in Iraq and Afghanistan and did not pay for it. Nobody on that side said: Wait a second. We shouldn't do this without paying for it.

Then Congress passed hundreds of billions of dollars of tax cuts for the richest Americans and did not pay for that. They did not say we can't do that unless we pay for it. They did the same thing for this give-away to the drug and insurance companies.

Now when we want to extend unemployment benefits to people who have lost their jobs, when we want to extend some assistance for health insurance to people who have lost their health insurance, all of a sudden all these conservatives around here say we cannot do this unless we pay for it. Then their little cheerleaders on the Wall Street editorial board, and talk radio, and their people on Fox TV, like one bird flying off a telephone wire, they all fly off and say: We have to pay for it.

They never said we have to pay for a trillion-dollar war. They never said we should pay for the tax cuts going to the rich people. They never said we should pay for these subsidies going to the drug companies. We start a war, we attack Iraq, we go to Afghanistan, and we charge it to our grandchildren. We give a tax cut to the richest Americans, and we charge it to our grandchildren. We pass this give-away to the drug and insurance companies, and we charge it to our grandchildren.

But again, when it is time to help laid-off workers—we know what happens when a person is laid off. They almost act as if unemployment insurance is a welfare program. All I can think of when I see the behavior of refusal to extend unemployment insurance or the refusal to help people get health insurance when they have lost their jobs, all I can think of is most of my friends on the other side of the aisle, most of my colleagues must not know anybody who has lost their job, who has lost their insurance. They must not know anybody who, because they lost their job and their insurance, may next lose their home.

Try to think about this. I know people who have lost their homes. I know people who were doing pretty well and lost their homes. I have tried to understand what it is like. You come home one day and for the last 3 or 4 months you tried to make your mortgage payment. You were late the first month. Then you got the second payment in on time. The next month you were late. The following month you could not pay and you realize you are in trouble. And

then the bank comes to you and tells you they will foreclose.

Think what that is like. You worked hard. Maybe your kids are still small. You have lost your job. You want to pay your mortgage, but you do not have the money to do it.

So the bank is going to foreclose on your house. Think about that. You have three kids and your spouse has lost her job or you don't have enough money to make these payments and you are going to have to tell your kids: Guys, we are going to have to leave our house.

Where are we going to live, Dad?

We will try to move in with somebody.

What are we going to do with all our stuff?

I don't know; put it in storage. If we can't afford storage, I guess we will have to give it away.

Think about what it would be like to lose your job, then your insurance, then to lose your home. That has happened to a whole lot of people who even look like me, people who dress well and have middle-class jobs. This just doesn't happen to a bunch of people who were just lazy and didn't do anything; this is happening to all kinds of people in this country.

I wonder if my Republican colleagues—if the conservatives here who always preach self-reliance and always say we have to do better in this country and that people should have to stand on their own two feet—really know people who have lost their jobs and lost their insurance and lost their homes. I think if they did, they might be willing to extend unemployment benefits; if they did, they might be willing to extend subsidies to help those people get their health insurance.

That is what is so troubling about what has happened the last few weeks. We can't get 60 votes because we need some Republicans. We can't get 60 votes to extend unemployment to help people out a little bit. Again, unemployment insurance is not welfare. You have a job and you pay into unemployment every paycheck. You pay into this insurance fund so that if you lose your job, you get help from that fund. It is as simple as that.

So, Mr. President, I guess my patience runs short—as is the case for many of us on this side—when I hear my colleagues saying we can't do this because it would add to the budget deficit. Yet they continue to vote for war funding, and they continue giving tax cuts to the richest people in America, and they continue to subsidize the drug industry in America. It is a moral question, and the Senate failed this moral question.

#### EL MUNDO

Mr. REID. Mr. President, today I come to the Senate floor to congratulate El Mundo, a weekly Spanish language newspaper in Las Vegas, as it

celebrates an important milestone in its history. On June 20, 2010, El Mundo, an award winning publication and a longstanding fixture of Southern Nevada's Hispanic media, will celebrate its 30th anniversary.

As the oldest Spanish language newspaper in southern Nevada, El Mundo has covered the issues of greatest impact to the Nevadan Hispanic community over the last three decades, providing invaluable insight into the ever-evolving diversity which characterizes Nevada's Hispanic community. It currently serves a bicultural and bilingual readership of more than 175,000.

In its pages, El Mundo highlights the experiences, needs, and concerns of Hispanics in Nevada and contributes to the future of our state's local economy, politics, and culture through its editorial, opinion and commercial advertising content.

Throughout the years, El Mundo has grown and evolved alongside southern Nevada's Latino community, which has multiplied from 50,000 in 1980 when the newspaper was founded by publisher Eddie Escobedo, to more than half a million today.

In addition, I would like to recognize Eddie's vision and tenacity, whose steadfast leadership at the helm of El Mundo has contributed to the publication's continued relevance, influence and impact. Eddie is a prominent voice for Nevada's Hispanics, a trusted servant leader, and a true Nevadan. I congratulate Eddie, his family, and the El Mundo staff on this great occasion as they continue marching toward greater and bigger milestones.

#### WEST VIRGINIA DAY

Mr. BYRD. Mr. President, Sunday, June 20, is the 147th anniversary of wild and wonderful West Virginia's joining the United States as the 35th State. I am proud of all that West Virginia has offered and continues to offer to the United States.

West Virginia is a unique gem among the 50 States. It is the only State to be formed by seceding from a Confederate State, and only one of two States to be added to the Union during the Civil War—the other being the home State of my good friend Senator REID, Nevada, which separated from the Utah Territory.

Known as the Mountain State, West Virginia is the only State located entirely within the ancient Appalachian Mountain range which was formed over 300 million years ago. West Virginia has the highest elevation of any U.S. State east of the Mississippi River, with an average of 1,500 feet above sea level. That elevation means that the Monongahela National Forest Region in the southeastern part of the State has a climate more akin to northern New England and Canada, with spruce forests, cool summers, and snow-filled winters. In fact, Dolly Sods, which is part of the Monongahela National Forest, has tundra-like vistas where, amid



scenery reminiscent of Alaska, visitors might spot snowshoe hares. Our colder, tumbling waters also support trout that are an angler's dream, as well as a rafter's or kayaker's delight.

Unlike its name, West Virginia's New River is actually very old, perhaps one of the oldest rivers in the world. Flowing in a generally south-to-north course through the Appalachian Mountains from North Carolina to West Virginia, where it merges with the Gauley River to form the Kanawaha River, the New River goes against the west-to-east flow that most other nearby rivers take, emptying into the Mississippi River rather than the Chesapeake Bay. Near Fayetteville, WV, the New River is spanned by the spectacular New River Gorge Bridge, featured on the reverse of the West Virginia State quarter coin. Each autumn, the community celebrates Bridge Day, allowing parachute-clad jumpers to leap from the highest vehicular bridge in the Americas to the New River some 876 feet below.

For centuries, West Virginia has been a place where people could escape summer's heat and enjoy the great outdoors. In the eastern panhandle, the spa town of Berkeley Springs has welcomed visitors since the days when George Washington's family and friends laid out a town around the warm medicinal springs that bubble to the surface. In southern West Virginia, the majestic Greenbrier resort in White Sulphur Springs has hosted Presidents and other distinguished guests since 1778.

West Virginia has also long been a nearby winter getaway for snow-seekers from milder climates. Since the Canaan Valley was discovered by air in the 1960s, West Virginia has become a skiing destination for downhillers and cross-country skiers. In addition to Canaan Valley, Snowshoe, Winterplace, Alpine Lake, Timberline, and Elk River offer skiing, tubing, snowboarding and sledding within easy driving distance of major metropolitan areas from Pittsburgh to Atlanta.

Should a visitor come to West Virginia in June, he or she would be treated to beautiful misty views of tree-covered mountains stretching into the distance. In the foreground, wildflowers would be blooming in sunlit meadows and along roads that curve along steep hillsides or cross deep-flowing rivers and streams tumbling over massive boulders. In the shadowed hollows, dense stands of rhododendron, the State flower, would be coming into bloom. Later in the year, the hills come alive with vibrant color as the State tree, the sugar maple, bursts into flaming red, blazing against the deep russet of oaks, the bright yellow of tulip poplars, and the rich, deep green of spruce and pine. In the winter, nature's palette becomes more stark, as leafless trees etch sharp designs against crisp white snow. The West Virginia State bird, the northern cardinal, offers a bright spot of crimson on

the otherwise monochromatic scenery. But every evening—winter, summer, spring or fall—the night sky will come alive with more stars than it is possible to count, as God sprinkles his blessings on West Virginia.

#### COMMENDING SENATOR DANIEL K. INOUE

Mr. BYRD. Mr. President, with great pleasure I congratulate the senior Senator from Hawaii, Mr. DANIEL INOUE, for becoming the second longest-serving Senator in history. He achieved this distinction last Friday when he became only the second person to have served in the Senate for 17,327 days.

I also want to use this opportunity to congratulate Senator INOUE on what I am sure he considers a bigger, and even more important event in his life, the birth of his first grandchild, Mary Margaret "Maggie" Inouye. Maggie was born on April 20 to Ken and Jessica Inouye, the son and daughter-in-law of our esteemed colleague. I wish all of them the best of health and happiness.

I have remarked many times on this floor that Senator INOUE is my "No. 1 hero." No one has ever served our country more extensively, or more bravely and with more loyalty and determination, than has Senator INOUE.

During World War II, he served in the famed 442nd Infantry Regimental Combat Team, the most decorated Army unit in the history of United States. In recognition of his war heroics, he was awarded the Distinguished Service Cross, the Bronze Star, the Purple Heart, and the Congressional Medal of Honor, making him one of only seven Senators to have been awarded our Nation's highest military honor.

In 1963, he became the first Japanese American ever to serve in the U.S. Congress. And in this Chamber he has served his State and our country with great distinction. Senator INOUE has served on the Senate Watergate Committee, the Congressional Iran Contra Committee, the Senate Appropriations Committee, and as Secretary of the Democratic Conference.

And during his long and productive career in this Chamber, he has become my dear friend. I was honored and pleased when he was the person who nominated me for my third term as Senate whip in 1975. Foremost, I have always appreciated his deep loyalty to the Senate and to me when I was the Senate Democratic leader and he was serving as secretary of the Democratic Conference.

Now, Senator INOUE has achieved another milestone in a career filled with achievements and successes, and I commend him on it.

Congratulations Senator INOUE, my friend, my colleague and my "No. 1 hero!"

#### TRIBUTE TO HARRY MORGAN HOE

Mr. MCCONNELL. Mr. President, I rise to pay tribute to an honored Ken-

tuckian, Mr. Harry Morgan Hoe. A graduate of the Kentucky Military Institute, Harry's leadership skill and valor were on full display at the age of 19, when he joined the 4th Infantry Division and stormed the beaches of Normandy. For his service, he was awarded both the Silver and Bronze Stars, among other medals. Upon returning to civilian life, Harry earned a degree in business and more importantly, at least to Harry, met his wife Mary while at college. The couple returned to Middlesboro after graduation and Harry joined in the family business—a foundry. He would go on to serve his community as chairman of the Clear Creek Baptist Bible College and his work with the Cumberland Gap National Park board, the Mountain Laurel Festival board, as well as several other service organizations.

While I could certainly go on about the character of Harry Hoe, let me conclude by saying that Harry Hoe's impact in Middlesboro, Kentucky, should be a model by which we all pattern our approach to leadership—built on humility and grace.

Mr. President, the Middlesboro Daily News recently published a profile story on Mr. Harry Hoe. I ask unanimous consent that the full article be printed in the RECORD.

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

[From the Middlesboro Daily News, May 5, 2010]

"HARRY HOE—AN ENDURING LEADER"

By Lorie Settles

Harry Morgan Hoe began his life 85-years ago in Middlesboro. He remembers a town much different than the one most of us are familiar with today—where groceries were delivered and children walked to school. The simplicity of life remains one of his dearest memories.

"Growing up here was a real treat," Harry recalled, "everything was free and easy. The town was growing; they were building buildings and paving streets." Harry's generation was the first of his family to grow up in Middlesboro. In 1909, J.R. Hoe, Harry's grandfather, moved his family to Kentucky from Pittsburgh, PA after a labor strike put an end to his career as the superintendent of a large steel mill. He purchased the town foundry and re-named it J.R. Hoe and Sons. Together, he and his five sons worked long hours to create the business Middlesboro knows today.

"My father worked like a dog," Hoe remembered. "He poured 20,000 pounds of iron per day and the things had to be carried, by hand, to the railroad station." Harry went to Louisville to attend high school at the Kentucky Military Institute, from which he graduated in 1943. At the age of 17, just before graduation, he received his draft notice for World War II. After a few months of training, he briefly returned home to see his family, and then shipped out. "We had all gone through basic training; we'd done the physical exercises and the bayonets and it was fun . . . It never got through to me that we were training to kill," he remembered. He arrived with the 4th Infantry Division on the beaches of Normandy shortly thereafter. "I served under General Patton," Harry recalls. "He said: Half of you guys are not going home, you know that don't you? You're over

here to take that hill and if you don't take it, I want to see the truckload of dog tags that show me that you proved yourself.' So we fought. We were his soldiers—that was all we knew to do."

He was decorated with the Silver Star for gallantry in action, the Bronze Star, the Oak Leaf Cluster for heroic action and the French Liberation Appreciation Medal—all before reaching the age of 19.

During his tour of duty, Harry fought in five major European campaigns. "It was different then," he said. "It was a different war. Everyone was for it, we were very patriotic. We wanted to keep Hitler from ruining the world."

His return home was bittersweet. "I spent weeks when I came home saying: 'What? He didn't come back either? He's dead too?' The boys you hugged at the train station, the ones that came back, were badly wounded and missing limbs. We didn't see all of the consequences until the war was over," he remembered.

Shortly after his return, he enrolled at the University of Tennessee. He graduated in 1949 with a B.S. in Business. "My father wanted me to go to college," Harry said. "I thought that I was too mature. I'd been to war, I felt too old for college life." He met his wife, Mary, at the university through a friend from Middlesboro and the two quickly became an item. He credits much of his success and happiness to Mary, who insisted that he finish college and worked as a librarian at UT after her own graduation while Harry completed his education.

"She was my secret weapon," Harry said of the woman he lost just last year. "She was easy to love." The couple returned to Middlesboro after finishing school and Harry went to work for the family business. Though he was unsure that he would remain in the business, he viewed it as a chance to gain experience.

His family was happy to have him as the first college graduate in the company for as long as he wished to stay. In 1953, Harry Morgan Hoe was honored as one of the three Outstanding Young Men of Kentucky. His accomplishments would only become more impressive as time went on. Harry worked as the director of the Kentucky Utilities company for 19 years, and was honored by the company with a \$100,000 donation that was awarded to Clear Creek Baptist Bible College. He served as a board member of the college for 20 years and as chairman for two terms.

The first integrated Little League Baseball team south of the Ohio River was instigated in Middlesboro in 1953. Harry began the team and was its president for seven years. In 1959, Harry worked as general chairman for the dedication of the Cumberland Gap National Park. He has been the director of Kentucky Mountain Laurel Festival Board for 55 years and served twice as president. Harry also acted as chairman of the board of directors of Kentuckians for Better Transportation and Associated Industries in Kentucky. He spent two 3-year terms as director of the Kentucky Chamber of Commerce.

In 1964, Harry Hoe decided to try his hand at state politics. He was elected to the Kentucky House of Representatives, where he served for six years. He wrote the Drunk Driving Bill in 1968, and in what seemed to many Kentucky politicians and reporters of the day as an unlikely turn of events, it passed. Harry vividly recalls the day the bill finally got off the ground: "It was the last day of the legislature and a lot of my opponents were out celebrating at a bar. So I went back to the House and asked the Speaker to allow me to introduce my bill, as a favor since it was my last term. The bill passed the House. I took it to the Lieutenant

Governor and asked for a vote in the Senate. No one wanted to be on record as being for drunk driving, but Kentucky produced a lot of whiskey. The Governor, Louie Nunn, wouldn't sign it. He let it sit there for 10 days. The law states that after ten days, if he hasn't signed a bill that has passed the House and Senate, it becomes law."

Harry was the minority whip and the assistant minority floor leader. He spent 12 years serving on the Kentucky Republican State Central Committee and was recently inducted into the Republican 5th Congressional District hall of Fame by Congressman Hal Rogers.

He has been a deacon of the First Baptist Church for the past 60 years and served as chairman of the deacons for three terms. In addition, he has sung in the church's choir for 60 years and been a Sunday School teacher for 55. Harry was awarded the Salvation Army William Booth Award, the highest honor given by the charity, after serving as chairman. He is a life member of the Salvation Army Advisory Board and has been for 60 years.

The Kiwanis Club of Middlesboro has had the benefit of Harry's membership since 1949. He was twice elected president and has won several awards including Kiwanian of the Year. He founded the Middlesboro High School Key Club in 1954. Today, Harry lives in the same house he bought 45-years ago with his wife, Mary.

He continues to work, as needed, at the J.R. Hoe and Sons foundry, where he served as the President of the firm from 1988 until 2009. He enjoys spending some of his free time with his and Mary's three children: Priscilla, Harry (Bo), and Marilyn, and with his seven grandchildren.

#### IRAN SANCTIONS

Mr. KYL. Mr. President, on June 14, Ephraim Sneh, a former Israeli Deputy Defense Minister, wrote a column in the Huffington Post, titled "Tickling Sanctions for Iran From the UN—It's Now Up to Congress," explaining that the United Nations Security Council's recent sanctions on Iran are insufficient.

Dr. Sneh wrote that the Security Council's new sanctions are merely "recommendations, not binding orders" because they do not address the Iranian regime's greatest vulnerability, its oil and gas industry. He urges Congress to pass the Iran Refined Petroleum Sanctions Act, which he believes is "the last option left to promote peace, to free the Iranian people and to prevent war."

I agree with Dr. Sneh. Further, I believe it is imperative, in view of the feckless action by the Security Council, and the timid actions by the administration on unilateral designations yesterday, that Congress act without further delay to pass this new legislation to impose crippling sanctions on Iran.

Mr. President, I ask unanimous consent to have Dr. Sneh's column printed in the RECORD.

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

[From the Huffington Post, June 14, 2010]  
TICKLING SANCTIONS FOR IRAN FROM THE UN—  
IT'S NOW UP TO CONGRESS

(By Ephraim Sneh, Former Deputy Defense Minister of Israel)

Secretary of State Clinton promised to impose "crippling sanctions" on Iran if it keeps cheating the international community and enriching uranium for a nuclear weapon.

However, the sanctions decided by the UN Security Council last week are tickling sanctions—definitely not crippling ones. They annoy the Ayatollahs' regime, but they cannot bring about its end. They will not delay the Iranian nuclear project by one single day.

The main problem is that the sanctions do not effectively harm the Iranian energy industry, which is the regime's life artery. Iran's oil and gas industry enables the regime to govern. The UN sanctions, instead, focus on the Revolutionary Guards (IRGC), on the nuclear project, and on the banking and shipping systems that directly support it. Moreover, countries that are not keen to impose those sanctions are not strictly obliged to do so. Actually, these are recommendations, not binding orders.

Sanctions which do not substantially undermine the financial basis of the regime do not impede the regime's ability to govern. Such sanctions cannot create a revolutionary situation in Iran that millions of protesters who courageously took to the streets aspire for. The moral support they received from the western democracies until now has been feeble and disappointing.

Iran's nuclear project runs on two parallel tracks: It produces large amounts of Low Enriched Uranium (LEU), and it manufactures a large number of centrifuges. When the Ayatollahs decide, many thousands of centrifuges, operating at high speed, will create Highly Enriched Uranium in quantities large enough to manufacture several nuclear bombs. The critical process in nuclear weapon building is the creation of fissile material. This is how Iran will obtain it.

A nuclear Iran is not a threat only for Israel. It is a threat for every state within range of its ballistic missiles. Today Delhi, Moscow and Athens are inside this range. In two years' time, when the next generation of Iranian ballistic missile will enter operational status, more capitals, including European, will join the club of threatened states.

But there is one country, Israel, which cannot live even one day under the shadow of an Iranian nuclear weapon. In my office, as in many offices and homes in Israel, decision-makers included, portraits of our grandparents killed by the Nazis hang on the walls. Israel, bearing this collective historic lesson, cannot allow those who twice a week declare that they will liquidate the Jewish state to have the means to do so. The Jewish people will not pay the price for the weakness of the West twice in 70 years.

Maybe we are paranoid. But, as Henry Kissinger said, "even a paranoid may have real enemies." We do have enemies who viscerally hate us, whether our policies are clever or stupid.

The UN Security Council resolution means that the international community actually acquiesces to a nuclear Iran. Israel is in a corner, and the international community is pushing us to act on our own. Regrettably, we were not wise enough to avoid being so isolated at the same time that we find ourselves in this corner. But our mistakes do not diminish our existential need to act.

The United States could not achieve a better UN resolution. In the current international situation, in a forum where Russia and China can cast a veto, where Brazil and

Turkey can bluntly defy it, American diplomacy did its best. But the bottom line is that the Iranian nuclear project will not be stopped by these sanctions, and the regime in Teheran will survive.

There is still something that can be done. The US Congress's bipartisan Iranian Refined Petroleum Sanctions Act (IRPSA), submitted by Congressman Howard Berman and Congresswoman Ileana Ros-Lehtinen, is ready. The sanctions enshrined in IRPSA may cripple the Iranian energy industry, which bankrolls the Ayatollahs. It may bring the regime to its knees. IRPSA poses a clear choice to international corporations: With whom do you want to do business—Iran or the US? If the traditional allies of United States and, most importantly, responsible European countries implement these sanctions, the regime in Teheran would not be able to govern. It would not be able to cruelly repress the Iranian people, export hatred and terror, and build nuclear weapons.

Voting for IRPSA and implementing it promptly is the last option left to promote peace, to free the Iranian people and to prevent war.

### HONORING OUR ARMED FORCES

#### SERGEANT JOHN KENNETH RANKEL

Mr. BAYH. Mr. President, I rise today to honor the life of Sgt John Kenneth Rankel of the U.S. Marine Corps. Sergeant Rankel was assigned to the 3rd Battalion, 1st Marine Regiment, 1st Marine Division, Camp Pendleton, CA.

Sergeant Rankel was only 23 years old when he lost his life on June 7 while serving bravely in support of Operation Enduring Freedom in Afghanistan. He was deployed on his first tour of duty in Afghanistan, having reenlisted after completing two tours in Iraq.

Sergeant Rankel was from Speedway, IN. He enlisted in the Marine Corps immediately after graduating from Speedway High School in 2005. Though he was a star athlete on his high school football team, he chose to serve rather than play football in college. A fellow marine described John as "the greatest guy I knew, and the best friend anybody could ask for."

Today, I join John's family and friends in mourning his death. He is survived by his mother Trisha Stockhoff; his stepfather Don Stockhoff; his father Kevin Rankel; his stepmother Kim Rankel; and his brothers Nathan Stockhoff and Tyler Rankel. He will forever be remembered as a loving son, brother, and friend.

While we struggle to express our sorrow over this loss, we take pride in the example of this American hero. We cherish the legacy of his service and his life.

As I search for words to honor this fallen marine, I recall President Lincoln's words to the families of the fallen at Gettysburg: "We cannot dedicate, we cannot consecrate, we cannot hallow this ground. The brave men, living and dead, who struggled here, have consecrated it, far above our poor power to add or detract. The world will little note nor long remember what we say here, but it can never forget what they did here."

It is my sad duty to enter the name of Sgt John Kenneth Rankel in the official RECORD of the U.S. Senate for his service to our country and for his profound commitment to freedom, democracy, and peace.

I pray that John's family finds comfort in the words of the prophet Isaiah, who said: "He will swallow up death in victory; and the Lord God will wipe away tears from off all faces."

#### SPECIALIST BLAINE E. REDDING

Mr. NELSON of Nebraska. Mr. President, I rise today to honor Army SPC Blaine E. Redding, who lost his life as the result of an improvised explosive device in Konar, Afghanistan, on June 7, 2010.

Specialist Redding, who grew up in Plattsmouth, NE, was assigned to A Company, 2nd Battalion, 327th Infantry Regiment, 101st Airborne Division out of Fort Campbell, KY. He was serving in Afghanistan with his younger brother Logan, who was also a member of the 101st Airborne.

Having previously served a year in Iraq, Specialist Redding was just 4 weeks into his deployment in Afghanistan when the vehicle he was riding in was hit by the roadside bomb. Four others were lost in this tragic event.

Specialist Redding served his country honorably and made the ultimate sacrifice for his fellow Americans. His courageous choice to protect his country and help the people of Iraq and Afghanistan achieve peace and security represents all that we can be proud of in our Armed Forces.

I commend SPC Blaine Redding's bravery and selflessness, while offering my deepest condolences to his young wife Nikki and the family members he left behind. It is a small comfort for those who must now go on without one they loved so dearly, but they know that Specialist Redding gave his life for a noble goal. I join all Nebraskans—indeed, all Americans—in mourning the loss of this fine young man.

#### TRIBUTE TO KOREAN WAR VETERANS

Mrs. McCASKILL. Mr. President, I rise today to recognize and pay tribute to our Korean war veterans and to express my strong support for and admiration of the Harry S. Truman Library Institute, the nonprofit partner of the Truman Library, that is leading our Nation's commemoration of the 60th anniversary of the start of the Korean war. On this important anniversary, we must not forget the lessons from this oft-forgotten war, nor the men and women who demonstrated legendary courage and valor in the face of unspeakable brutality.

Sixty years ago in Independence, MO, on June 25, 1950, President Harry S. Truman received word that the free people of South Korea had been invaded by some 135,000 communist troops from the North. America's 33rd

President responded swiftly and decisively, for, in his words, "In my generation, this was not the first occasion when the strong had attacked the weak." Today, the fateful crossing of the 38th parallel by communist forces stands as the opening paragraph of one of the most brutal chapters in our American history, the Korean war.

It is impossible to understand our world today—and to have an informed view on the conflict that continues to seethe on the Korean peninsula—without understanding the Korean war. And yet, the first conflict in the Cold War is sometimes called the "Unknown War," or worse, the "Forgotten War" because it is not widely taught, studied or understood. That is why, on this important occasion, we must rise to honor the courage and sacrifice of our Korean war veterans—so we can never forget.

We cannot and will not forget that nearly 1.8 million Americans served in Korea, along with the forces of the Republic of Korea and 20 other members of the United Nations, to defend freedom and democracy. We will not forget that nearly 33,739 Americans died in battle during the war. We will not forget that nearly 92,100 troops were wounded in action during the conflict. We will not forget that more than 8,100 men and women never came home, and are still listed as missing in action or prisoners of war.

We have, as we recognize the 60th anniversary of the start of the Korean war, an important opportunity to examine the roots and legacy of the Korean war and to honor each individual who, in the defense of freedom, bravely faced aggression of devastating tyranny. I urge all Americans to observe the 60th anniversary of the Korean war and to take this opportunity to learn about the conflict and, most importantly, the men and women who participated in it. Their legacy is one of great honor. I want to recognize the Korean War Veterans Appreciation Ceremony—held on June 21, 2010, in the hometown of one of Nation's great leaders, President Harry S. Truman, as a sterling symbol of our Nation's commitment to always remember, understand, and honor our brave Korean war heroes and the history of the Korean war.

I want to especially recognize the men and women at the Harry S. Truman Library Institute who tirelessly labored to make the Appreciation Ceremony possible and a tremendous success. It is with great regret I will not be able to join many Missourians, many veterans, my esteemed colleague, Congressman IKE SKELTON, who is a tremendous student of military history, and keynote speaker GEN David Petraeus, a modern-day American war hero, on June 21 in Independence to recognize this anniversary and celebrate Korean war veterans. However, I know this will be a momentous event on a momentous occasion. I stand with all of those at the event in remembering the Korean war, in honoring Korean war veterans, in paying

respect to the remaining POWs and MIAs and the fallen servicemembers, and in celebrating America's freedom, which has for so long been guaranteed by our fighting men and women.

Mr. CARDIN. Mr. President, I rise today in celebration of the 145th anniversary of Juneteenth, the oldest commemoration of the end of slavery in the United States. On June 19, 1865, Union soldiers arrived in Galveston, TX, to inform the slaves that they were free. Although the Emancipation Proclamation took effect on January 1, 1863, it was 2 years later before the message reached slaves in Texas and the Union troops enforced the President's order. Eighty-nine years after America's Independence Day, Africans in America finally obtained their independence from slavery. Juneteenth is a day when all Americans should celebrate Black Americans' freedom and heritage.

In 2008, Congress apologized for the injustice, cruelty, brutality, and inhumanity of slavery and Jim Crow laws. The congressional resolution acknowledged that African Americans continue to suffer from the complex interplay between slavery and Jim Crow long after both systems were formally abolished. This suffering is both tangible and intangible, including the loss of human dignity, the frustration of careers and professional lives, and the long-term loss of income and opportunity.

On Wednesday, Congress honored the African-American slaves who built the U.S. Capitol by dedicating plaques to their memory. Historians have discovered that slaves worked 12-hour days, 6 days a week on the construction of the Capitol. The Federal Government rented over 400 slaves from local slave owners at a rate of \$5 per person per month, but the slaves were not paid for their work.

On this day, it is fitting to remember our Nation's painful history. Millions of Africans were torn from their homeland and brought to the Americas as chattel. While it is unknown how many died during the middle passage, it is estimated that 645,000 arrived in the United States. My own State of Maryland had slaves. In 1790, more than 100,000 slaves, which would have been about a third of the State's total population, lived in Maryland. Seventy years later, the 1860 census indicated that there were more than 4 million slaves nationwide.

Despite Maryland's history of slavery, many Marylanders led the fight for abolition. The underground railroad was a secret network that helped enslaved men, women, and children escape to freedom. Its route through Maryland took passengers by boat up the Chesapeake Bay. Ships departed from the many towns located directly on the bay and from cities on rivers that flowed into the bay, including Baltimore. Many ships' pilots hid fugitives and helped them on their way.

Another route led slaves by land up along the eastern shore of Maryland

and into Delaware, where they could cross into Pennsylvania and go north to freedom in Massachusetts, New York, and Canada. This was the route used by Harriet Ross Tubman, a native of Dorchester County, MD. Tubman not only guided herself and her family to freedom through the underground railroad, she also made more than 19 trips to the South to lead more than 300 slaves to freedom. She never lost a "passenger" along the route.

The abolitionist leader Frederick Douglass was born in Talbot County on Maryland's eastern shore. At age 20 he escaped from slavery and spent the rest of his life advocating racial equality throughout the United States and the United Kingdom. Harriet Tubman, Frederick Douglass, and countless others who led slaves to freedom and fought to abolish slavery are the heroes who inspire us to persevere in the fight for equality and justice in this country and worldwide.

In 1865, June 19 marked the end of slavery in America, but not the end of de jure racial discrimination. My own State of Maryland passed 15 Jim Crow laws between 1870 and 1957. Maryland's schools, swimming pools, movie houses and other facilities were segregated. Notably, in 1930, the University of Maryland Law School denied admission to Baltimore native Thurgood Marshall, a man who would two decades later argue the landmark *Brown v. Board of Education* case, outlawing legally segregated schools, and who would soon after become the Nation's first Black Supreme Court Justice.

While our Nation has made considerable progress over the past century and a half, many challenges remain. Discrimination, disparities, and racially motivated hate persist. We must confront these issues. We cannot ignore the disparities in health care that result in higher premature birth rates and reduced life expectancy for minority populations. We cannot ignore discriminatory sentencing in our courts or discriminatory lending practices by financial institutions. Racially motivated police brutality and hate crimes cannot stand. We must continue to pursue justice in each of these areas, and for all Americans.

We owe it to the legacy of our predecessors in the battle for racial equality to keep fighting injustice until the Declaration that "all men are created equal" rings true. We cannot be complacent. As Martin Luther King, Jr. said, "We will remember not the words of our enemies, but the silence of our friends."

We must continue to strive toward elimination of inequality so we can truly honor the spirit of Juneteenth.

#### REMEMBERING ARKANSAS FLOOD VICTIMS

Mrs. LINCOLN. Mr. President, my home State of Arkansas is known for its natural beauty, drawing thousands of visitors each year for camping, fish-

ing, and outdoor recreation. Tragically, 20 visitors to Camp Albert Pike lost their lives last weekend after severe rain resulted in flash flooding early Friday. My heartfelt condolences go out to their families, friends, and loved ones, many of whom I met as I toured the devastation. I will continue to pray that they find peace and consolation.

I have always had the utmost respect for our law enforcement, first responders, search and rescue teams and offices of emergency management. I have never been more impressed than in seeing their monumental effort during this tragedy. These brave men and women put their own safety at risk to search for survivors and victims, and they demonstrated amazing competence and dedication.

I was personally moved, as once again, Arkansans rallied to help their neighbors. While most of the victims of this disaster were from outside the boundaries of our State, local citizens embraced them with love and true compassion.

It was heartbreaking to hear the stories of those who struggled to make it out alive and those who were not so fortunate. There were many true heroes—of all ages—who continued to rescue others even when they knew members of their own families had perished and in the face of unbelievable personal danger.

Mr. President, I ask that we remember those who lost their lives in this tragic event:

#### ARKANSAS

Kaden Jez, 3, Foreman; Leslie Anne Jez, 23, Foreman; Debra McMaster, 43, Hope; Sheri Wade, 46, Ashdown.

#### LOUISIANA

Shane Basinger, 34, Shreveport; Kinsley Basinger, 6, Shreveport; Jadyn Basinger, 8, Shreveport; Anthony Smith, 30, Gloster; Katelynn Smith, 2, Gloster; Joey Smith, 5, Gloster; Bruce Roeder, 51, Luling; Kay Roeder, 69, Luling; Deborah Roeder, 52, Luling.

#### TEXAS

Robert Lee Shumake, 68, DeKalb; Wilene Shumake, 67, DeKalb; Nicholas Wade Shumake, 8, DeKalb; Eric Wayne Schultz, 38, Nash; Gayble Y. Moss, 7, Texarkana; Kylee Sullivan, 6, Texarkana; Julie Freeman, 53, Texarkana.

#### WORLD REFUGEE DAY 2010

Mr. LEAHY. Mr. President, this Sunday, June 20, is World Refugee Day. On June 20, 2001, we recognized World Refugee Day for the first time, in commemoration of the 50th anniversary of the 1951 Convention Relating to the Status of Refugees.

At the end of the last century, war and ethnic cleansing in the former Yugoslavia left many people without a home or the protection of their country of origin. The Rwandan genocide of 1994 and the subsequent wars in the Democratic Republic of Congo forced refugees to flee to Tanzania and other neighboring states. As of last fall, over 300,000 individuals in Tanzania were

still waiting for safe, third country resettlement. The dissolution of the former Soviet Union, followed by war and ethnic strife in Chechnya, the Caucasus, and Central Asian successor states, created millions of refugees and internally displaced persons. Some of these former Soviet citizens were left stateless and remain so, unable to claim the rights or protection of any nation.

Despite these tragic events, the first World Refugee Day was an occasion of great hope. It provided an opportunity to celebrate the perseverance of refugees as they begin new lives in foreign lands, join new communities, learn new languages, and help their families adjust. The inaugural World Refugee Day celebrated the hard work of organizations such as the Office of the United Nations High Commissioner for Refugees and other voluntary agencies dedicated to serving refugees. The day also acknowledged the personal contributions of volunteers in the United States and around the world to help refugees resettle in their communities. Finally, World Refugee Day raised awareness about the challenging conditions faced by refugees, whether they are fleeing violence and persecution, or waiting in a camp, hoping that a safe nation will welcome them and provide them security.

The last 10 years have not been easy for refugees. War and conflict around the globe have produced more refugees, yet the financial crisis and global economic downturn have made it more difficult for comparatively wealthy countries to contribute funds to support refugees and resettlement programs. For refugees recently resettled in the United States, the high unemployment rate, increased demand for low income housing, and strain on community service providers has made it more difficult for these new Americans to start to build their new lives.

After the September 11, 2001, attacks, certain changes to U.S. asylum law were enacted that have the effect of denying protection to genuine refugees, such as child soldiers and women forced into sexual slavery, if their coerced actions are labeled as “material support” for terrorism.

Throughout this difficult time, I have remained proud of the role that our country plays in supporting refugees and internally displaced persons abroad and helping refugees resettle in the United States. Since the 1980 Refugee Act was enacted, more than 2.6 million refugees and asylum seekers have been resettled in the United States.

My home State of Vermont has welcomed more than 5,300 refugees since 1989. In 2001, the same year as the first World Refugee Day, the first group of the “Lost Boys” of Sudan was resettled in Vermont. These boys had traveled hundreds of miles by foot to escape war and ethnic- and religious-based persecution. They were warehoused in refugee camps in Kenya and Ethiopia be-

fore being resettled in the United States. In the 9 years since they have arrived in Vermont, many have graduated from college, and some have gone on to attend graduate school.

Vermont has received refugees from across the globe, including Bosnia, Burundi, Vietnam, Somalia, and Russia. Hundreds of Vermonters have volunteered to help these refugees adapt to life in Vermont, welcoming them into their homes, schools, and places of worship. The newcomers have had a profound effect on life in Vermont, starting small businesses, excelling in local soccer teams, creating art, running community gardens, and sharing their cultures. In one Vermont school district, all signs are in English, Vietnamese, and Serbo-Croatian, reflecting just a few of the many languages spoken by the diverse student population. Not only do the Vermont-born students learn a little more about the world from their classmates who are refugees, but they also learn an important lesson about the resolve and durability of the human spirit.

While I am proud of the United States’ long-standing commitment to refugees, I believe that we as lawmakers can do better for the world’s most vulnerable populations. That is why I introduced S.3113, the Refugee Protection Act of 2010. The bill will bring the United States back into compliance with the Refugee Convention. Through modifications to the statute and misinterpretations of law in court decisions, the United States is falling short in some areas of refugee protection. The bill corrects serious problems in our law, such as the material support provision, which can prevent innocent victims of persecution from gaining protection. It also repeals the one-year filing deadline for asylum seekers in the United States. The deadline was unnecessary when it was added to the law in 1996, and remains unnecessary now. The bill also improves due process protections for asylum seekers without lowering the standards that one must meet in order to gain refugee status.

For resettled refugees in the United States, the bill ensures that per capita grants to assist these new Americans are adjusted every year to reflect the cost of living and inflation. The Obama administration raised the per capita grant level this year after it had languished at an unacceptably low level for years. I commend that action, but want to ensure the number does not remain stagnant.

I thank Senators LEVIN, AKAKA, DURBIN, and BURRIS for their support of the Refugee Protection Act. I hope that on World Refugee Day, others will join us in helping victims of persecution worldwide.

Mr. LEVIN. Mr. President, this Sunday, June 20, the world will observe the tenth annual World Refugee Day. On this day, we call attention to humanity’s efforts, through the United Nations, the work of individual governments, and of nongovernmental organi-

zations, to alleviate the plight of those forced from their homes by conflict or hatred.

Sadly, while the world’s commitment to these refugees is great, the scope of the problem is even greater. Last year, more than 43 million people were forcibly displaced from their homes, the largest number since the mid-1990s. At the same time, data from the United Nations High Commissioner for Refugees show that the number of refugees who resettled in 2009 was at the lowest level in two decades.

These figures, just for 2009, include more than 2.8 million people who have fled homes in Afghanistan, more than 1.7 million people from Iraq, more than half a million in Somalia, nearly half a million from the Democratic Republic of Congo. These stunning numbers represent the human cost of humanity’s inability to live in peace. These seemingly endless millions represent mothers who struggle to feed their babies, children unable to go to school, families without dependable access to clean water or food or medical care. They are without homes, and if the world is silent to their pleas for aid, they will be without hope.

Fortunately, this human tragedy has prompted global action, with the United States in the lead. The Refugee Act of 1980 guides U.S. policy with regards to refugees, and since its passage, more than two and a half million people forced from their homes have been resettled in the United States. Of the more than 112,000 refugees who found refuge in countries other than their home in 2009, about 80,000, or nearly three-quarters, were resettled in the United States.

Despite our commitment to aiding refugees and to finding them new homes, our current policies often stand in the way of fulfilling our responsibility to help. Current law and administrative practice too often put unnecessary burdens on those seeking asylum here, even barring some who hope to escape the worst sorts of violence and persecution from entering the United States.

Seeking to address these problems, I have joined Senators LEAHY and DURBIN in sponsoring the Refugee Protection Act of 2010. Our legislation would extend protections for those seeking asylum in the United States; reform the process by which asylum seekers can be expelled from this country; modify existing law to ensure that legitimate asylum-seekers are not inadvertently caught up in antiterrorism protections while ensuring that terrorists are unable to manipulate the system to gain entry; and ease the path to resettlement for asylum-seekers and their families. Failing to remedy these gaps in our refugee law would carry a great human cost. As Dan Glickman, the president of Refugees International, testified to the Judiciary Committee during a hearing on our bill last month, “The Refugee Protection Act will help us do the right thing by

creating a more efficient and fair process for providing safe haven to the world's most vulnerable."

We face this continuing challenge without one of the world's most eloquent and effective advocates for the world's refugees. Senator Ted Kennedy led the drive to pass the original Refugee Act of 1980. He was a tireless advocate for the innocent victims of conflict, religious persecution and ethnic hatred. As we approach another World Refugee Day, we would benefit enormously from his leadership, but we can gain inspiration from his example. So long as there are people forced from their homes by war and persecution, this Nation will have a responsibility to act, and the Refugee Protection Act is an important opportunity to do so.

#### UIGHUR PROTESTS IN URUMQI

Mr. KAUFMAN. Mr. President, it has been nearly a year since deadly ethnic rioting between ethnic Han Chinese and the native Uighur population engulfed the city of Urumqi in China's vast, far-western region of Xinjiang—one of the worst ethnic clashes in China in decades.

Last year, after the protests began, I spoke on the floor, expressing my concern about human rights abuses and a lack of press freedom in Xinjiang, as demonstrated by the decision by the Chinese government to block access to journalists, which prevented the world from knowing the truth of what was occurring. Unfortunately, it is now clear that things were even worse than we knew at the time.

The Chinese police, the People's Armed Police, and the military responded with a heavy hand, conducting many large-scale sweep operations in two mostly Uighur areas of the city, operations that reportedly continued at least through mid-August of 2009. Internet and text-messaging services were immediately limited or cut off, and were only restored last month, depriving the people of Xinjiang from access to news, information, means of communication, and other benefits of connective technology.

The official death toll from the July 5, 2009, rioting was reportedly 197—though human rights observers say the actual number of casualties is higher. At least 1,700 people were injured, and some 1,500 people, by the government's own account, were detained. According to an insightful article published in the Washington Post this week, as of early March, there have been 25 death sentences among the 198 people officially sentenced. Twenty-three of those 25 were ethnic Uighurs.

The Post, which sent a reporter to Urumqi for a look at the city 1 year after the riots, reports that residents "seem most terrified of talking," and not just with journalists but also with each other. Uniformed and plainclothes police officers are pervasive, the newspaper reports. Most Uighurs are Sunni Muslims, but their religious freedoms

have been sharply curtailed. Economically, they lag well behind the ethnic Han population.

I condemn the continued repression of the Uighurs, as well as the violence perpetrated against all innocent civilians in China, and I call on the Chinese government to bring this reprehensible behavior to an end. I also reiterate my call from last year on the Chinese government to open Internet and mobile phone access, end jamming of international broadcasting, and lift the grave and growing restrictions on the press. If China is going to assume a position of leadership in the international community on par with its economic standing, it must lead by example in granting essential freedoms and human rights to its citizens.

I ask unanimous consent that the Washington Post article entitled "One year later, China's crackdown after Uighur riots haunts a homeland" published on June 15 be printed in the RECORD.

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

[From the Washington Post Foreign Service, June 15, 2010]

#### ONE YEAR LATER, CHINA'S CRACKDOWN AFTER UIGHUR RIOTS HAUNTS A HOMELAND (By Lauren Keane)

URUMQI, CHINA.—A hulking shell of a department store towers over this city's Uighur quarter, a reminder of what can be lost here by speaking up.

For years, it was the flagship of the business empire of Rebiya Kadeer, an exiled leader and matriarch of the Uighur people. If Chinese government accounts are accurate, she helped instigate fierce ethnic riots that killed hundreds and injured thousands here last July—an accusation she vehemently denies.

Still a prominent landmark even in its ruin, the Rebiya Kadeer Trade Center was partially confiscated by the government in 2006 when Kadeer's son was charged with tax evasion, although tenants were allowed to stay. After the riots, it was shuttered and slated for destruction. The government said the building had failed fire inspections, but it seems in no hurry to set a demolition date.

The forsaken structure makes for an effective deterrent. Last summer's chaos has been replaced with a level of fear that is striking even for one of China's most repressed regions. Residents are afraid of attracting any attention, afraid of being in the wrong place at the wrong time. But they seem most terrified of talking.

"Every single family on this block is missing someone," said Hasiya, a 33-year-old Uighur who asked that her full name not be used. Her younger brother is serving a 20-year prison sentence for stealing a carton of cigarettes during the riots. "Talking about our sorrow might just increase it. So we swallow it up inside."

Fear is not unwarranted here. For years now, those caught talking to journalists have been questioned, monitored and sometimes detained indefinitely. More striking is that residents now say they cannot talk even with one another.

The Turkic-speaking Muslim Uighurs consider Xinjiang their homeland but now make up only 46 percent of the region's population, after decades of government-sponsored migration by China's Han ethnic majority.

The riots started as a Uighur protest over a government investigation into a Uighur-Han brawl at a southern Chinese factory. Several days of violence brought the official death toll to 197, with 1,700 injured, though observers suspect the casualty count to be much higher. Most of the dead were Han, according to authorities. The government officially acknowledged detaining nearly 1,500 people after the riots. As of early March, Xinjiang had officially sentenced 198 people, with 25 death sentences. Of those 25, 23 were Uighur.

The events forced China's national and regional governments to address, at least superficially, taboo issues of ethnic conflict, discrimination and socioeconomic inequality. The central government in April named a different Communist Party secretary for Xinjiang, Zhang Chunxian, who promptly announced that he had "deeply fallen in love with this land." In May, the government announced a new development strategy to pour \$1.5 billion into the region. It also restored full Internet and text-messaging access to the region after limiting or blocking it entirely for 10 months.

The riots "left a huge psychic trauma on the minds of many people of all ethnicities. This fully reflects the great harm done to the Chinese autonomous region by 'splittist' forces," said Wang Baodong, a spokesman for the Chinese Embassy in the United States.

The ability to confront what happened last July, and why, still eludes people of all ethnic groups in Xinjiang. White-knuckled, they hold their spoons above steaming bowls of mutton stew, poking nervously at the oily surface. They fiddle with their watchbands until they break. They repeat questions rather than answer them. They glance through doorways, distracted, and shift side to side in their chairs. Summer's full swelter has yet to arrive, but everyone starting to speak to a reporter begins to sweat. One man leaves the table six times in half an hour to rinse the perspiration from his face. He returns unrefreshed.

When asked what changes the riots had brought, Mehmet, a former schoolteacher who resigned last year because he opposed requirements that he teach his Uighur students primarily in Chinese, took a long glance around the room before pointing halfheartedly out the door. "They built a new highway overpass," he said.

Suspicion of fellow citizens is still common throughout China but seems especially acute here. Academics accept interviews only if they can avoid discussing the conflict's lingering effects. An apologetic professor backed out of a planned meeting after his supervisor discovered his plan, called him and threatened his job. A businessman said that he believed government security agents often trained as journalists, and asked how he could be sure that he would not be turned in.

"We're seeing increasingly intrusive modes of control over religious and cultural expression," said Nicholas Bequelin, a Hong Kong-based senior researcher at Human Rights Watch. "They live in fear of being overheard."

The Kadeer Trade Center is at the center of a protracted conflict. The Urumqi government said that compensation talks with tenants were still ongoing, and that it had moved the tenants to a nearby location. A spokesman for Kadeer, who now lives in Fairfax, said she had not been offered compensation.

Although the government says it is striving for stability, getting there is uncomfortable. On a single street near this city's main bazaar, four different types of uniformed police were on patrol one recent day—not counting, of course, an unknown number of



plainclothes security guards. They marched haphazardly along the sidewalks, the different units so numerous that they sometimes collided. Late into the evening, they perched on rickety school desk chairs placed throughout the bazaar, watching. On the corner outside Xinjiang Medical University, armed police in riot gear peered out the windows of an olive green humvee or leaned on riot shields under the afternoon sun.

"It's quiet here on the surface," said Yu Xinqing, 35, a lifelong Han resident of Urumqi whose brother was killed by Uighurs during the riots. He now carries a knife with him everywhere, avoids Uighur businesses and rarely speaks with Uighur neighbors he previously considered friends. He says he is saving money to leave Xinjiang behind for good.

"We don't talk about these things, even within our families," he said. "But our hearts are overwhelmed; we hold back rivers and overturn the seas."

Still, every once in a while, when a resident is safely alone with a neutral observer, months' worth of stifled thinking tumbles out. That was the case for Ablat, a Uighur businessman who sells clothing near the main bazaar; he would not allow his last name to be mentioned. Ablat had been speaking in vague, evasive terms for three hours, and then—ensconced in his car, speeding north out of town—something finally released.

"Give us jobs, stop holding our passports hostage, and let us worship the way we want to," he said. "That would solve these problems. That is all it would take."

#### ADDITIONAL STATEMENTS

##### TRIBUTE TO DR. ROBERT TABASH

• Mr. BOND. Mr. President, today I wish to extend my thanks to Dr. Robert Tabash for dedicating his career to the Holy Family Hospital in Bethlehem, Palestine. Thanks to his concern for the people of Palestine, Dr. Tabash has created a hospital that is truly an oasis of peace in the troubled region and is a shining example of humanitarian assistance.

Dr. Tabash's work to build an oasis of peace to serve mothers and babies in conflict-torn Palestine has not been an easy road. After serving as a staff physician beginning in 1971, Dr. Tabash was appointed the Director of Administration to the Holy Family Hospital in 1985. That same year the hospital was forced to close due to the Arab-Israeli conflict. After a 5-year renovation period, Dr. Tabash's vision finally came to life when the hospital was inaugurated. That same year, Dr. Tabash saw the first baby born in the new facility. Since, the hospital has successfully delivered over 50,000 newborns. With the only neonatal intensive care unit in the area, Holy Family Hospital has amazingly limited the mortality rate to around 2 percent, on par with Western hospitals and remarkably different than the roughly 30 percent mortality rate found in government-run hospitals in the West Bank.

This impressive success rate with high risk pregnancies and track record for saving premature babies makes the Hospital special. But what makes Holy

Family truly shine is their commitment to serving pregnant women and babies in the West Bank, regardless of religion or race. Despite this commitment, more than 90 percent of Holy Family's patients are Muslim. Backed by U.S. dollars—and I am proud to have secured \$3.5 million for the hospital in 2005—Holy Family not only gives the unborn a chance at life in a troubled part of the world, it also works to dispel the false notions that America is at war with the Muslim world and sides only with the Israeli people.

Holy Family Hospital is one of the most successful and touching examples of Smart Power in the Middle East—where through non-military engagement, like diplomacy, education, and in this case, humanitarian assistance, we can win hearts and minds, a necessary first step to peace.

Dr. Tabash is a Christian Palestinian doctor. Born in Bethlehem himself, it is Dr. Tabash, and his endless devotion to serving the most vulnerable in Bethlehem—pregnant mothers and babies—that has made the hospital the success story it is today. Dr. Tabash is the rare individual who recognizes that the work of one person—every person—can make a difference. Through his work, Dr. Tabash has saved thousands of babies' lives and touched countless more.

On the occasion of Dr. Tabash's retirement I offer gratitude and congratulations for the good Doctor's contributions—to the lives of many mothers and babies and to the long-hoped dream of peace in the Middle East. •

##### NEVADA CITY FIRE DEPARTMENT

• Mrs. BOXER. Mr. President, I am pleased to recognize the 150th anniversary of the Nevada City Fire Department in Nevada City, CA.

The Nevada City Fire Department was formed in June 1860 after a group of local women set up theatrical shows and a ball to raise funds to form a fire department. The fire department began with three fire companies: the Nevada Hose Company No. 1; Eureka Hose Company No. 2; and the Protection Hook and Ladder Company No. 1. In 1861, the first fire station was built to house the volunteer fire departments in downtown Nevada City and had a service area of about 1 square mile.

Over the years, the Nevada City Fire Department has evolved to meet the growing needs of Nevada City. In 1938, a new city hall and fire station were built and, in 1960, the first paid fire chief was hired. Nearly four decades later, in 1999, a new fire station was built to accommodate the department's needs. In 2000, the city hired its first paid fire fighter to staff the fire station during the day and, by 2003, three paid fire fighters were hired to man the fire station 24 hours a day.

Today, the Nevada City Fire Department has 20 employees serving over 3,000 residents with three fire engines and two fire stations. They respond to

over 500 calls for service every year in their 2 square mile service area, and assist on calls from mutual aid areas including wild land fires on national forest land.

As the community celebrates the Nevada City Fire Department's sesquicentennial anniversary, I would like to congratulate and thank all of the brave men and women of the Nevada City Fire Department who have proudly served their community over the past 150 years. •

##### AUGUSTA STATE UNIVERSITY MEN'S GOLF TEAM

• Mr. CHAMBLISS. Mr. President, today I congratulate the Augusta State University men's golf team on their historic NCAA Championship win last week.

On June 6, 2010, Augusta State beat Oklahoma State 3-3-1 in the championship match of the 112th NCAA Division I Championships.

ASU's Henrik Norlander, Patrick Reed, Mitch Krywulycz, Taylor Floyd and Carter Newman had already defeated No. 3 Georgia Tech and the No. 2 Florida State to bring them to the championship. All that was left now was Oklahoma State, the No. 1 team in the country.

The win seemed unlikely. Oklahoma State was not only ranked higher, but had more funding, more experience and more championship titles. They were giants in the golf world.

In addition, Taylor Floyd was sick. So sick, that it seemed as though he couldn't play.

But Augusta State was determined. They had tried to win 11 times before this and failed. This was their year to win.

So, at the Honors Course just north of Chattanooga, TN, ASU did just that. Its win was not only the first NCAA championship title in Augusta State's history, but also marked the team's 10th straight top-five finish of the season.

And they deserved to win. Throughout the tournament they played with heart, played with courage and played with sportsmanship. They became giants on that course.

They not only made Augusta State proud but the Augusta and the State of Georgia proud.

But no one could be prouder than ASU's head coach Josh Gregory. As tears pooled in his eyes, he said, "This means everything. This is a dream come true, and they are incredible players."

Gregory's commitment and dedication to his team has resulted in four NCAA championships appearances, the most by any coach in school history.

We can all be inspired by the story of this small school and its struggle to victory. Its hard work and perseverance is unparalleled, and I am grateful that they have represented our state so well.

Once again, I would like to offer my congratulations to the Augusta State

University team on this special occasion, and wish its players the best of luck as they defend this title over the next year.●

● Mr. ISAKSON. Mr. President, today I honor in the Senate the men's golf team at Augusta State University and congratulate them on their new title—National Champions.

On June 6, 2010, Henrik Norlander, Patrick Reed, Mitch Krywulycz, Taylor Floyd, and Carter Newman won the National Collegiate Athletic Association Division I National Championship in dramatic fashion at The Honors Course in Ooltewah, TN. These fine young men played outstanding golf throughout the entire tournament, including wins against the No. 3 seed Georgia Tech and the No. 2 seed Florida State. However, in the final match, they soared and played like true professionals. The team defeated 10-time national champion and No. 1 seed Oklahoma State to bring home the trophy. This is the first of no doubt many national championships to come for Augusta State University.

In addition, on June 15, 2010, Coach Josh Gregory was named Coach of the Year by the Golf Coaches Association of America. Coach Gregory has played such a vital role in the team's success, and I am proud to honor him. Coach Gregory recently completed his eighth year as Director of Golf and Head Men's Golf Coach at ASU and has guided the Jaguars to the best season in school history this year. ASU posted four tournament victories, matched the highest national ranking in school history at No. 2, and registered 10 consecutive top-five finishes to close out the season.

I salute this team on their work ethic, including playing through illness, and their big win as a result of their efforts. I am pleased to acknowledge the great achievement of these young men and to extend my deepest congratulations.●

#### CARSON, NORTH DAKOTA

● Mr. CONRAD. Mr. President, today I wish to recognize a community in North Dakota that will be celebrating its 100th anniversary. From June 25–27, the residents of Carson will gather to celebrate their community's history and founding.

The rural post office opened on August 11, 1902, in Carson. A man by the name of John Erickson suggested the name Zelma for the town, after the daughter of a local rancher. However, the selected name of Carson was coined by combining the names of local settlers, Frank Carter and Simon and David Pederson. A few years later, the city merged with the rival town site of North Carson when the Northern Pacific Railroad brought the two communities together. It became the county seat of Grant County when the county organized in 1916.

Today, Carson remains a small, proud community. Just this year, a

devastating ice storm crippled much of rural southwestern North Dakota, leaving many without power. While the residents of Carson lost power for approximately four days themselves, they helped to serve the people of several surrounding communities who went without electricity for nearly a month. This is just one example of the resilience of the people of Carson.

To celebrate the town's centennial, the residents of Carson have planned a number of festivities. They will gather for an all-school reunion, an alumni basketball game, attend a Bull-A-Rama, and participate in other celebratory festivities.

I ask the U.S. Senate to join me in congratulating Carson, ND, and its residents on their first 100 years and in wishing them well through the next century. By honoring Carson and all the historic small towns of North Dakota, we keep the great pioneering frontier spirit alive for future generations. It is places such as Carson that have helped shape this country, which is why this fine community is deserving of our recognition.

Carson has a proud past and a bright future.●

#### KUAKINI HEALTH SYSTEM

● Mr. INOUE. Mr. President, I wish to recognize the 110th anniversary of the Kuakini Health System. This great institution of Hawaii was born from necessity and boundless compassion for others. From the humble beginnings of 38 beds, the Kuakini Health System's hospital has grown to serve a 250-bed occupancy. This impressive establishment has marked the lives of countless people and has indeed laid the foundation for a legacy that will endure for years to come.

I am proud to honor the Kuakini Health System. Through the unwavering dedication to serve those in need, its staff has played a pivotal role in the health care of Hawaii's residents. Since its inception, the standards of high quality care were set as the basis for this medical center and though it has been many years, these core values were never lost and the aspiration for excellence has only amplified. Such attributes can be exemplified through the many accomplishments that have set this center apart from all others in Hawaii. It leads in the fields of oncology, geriatric and cardiac care, gastroenterology services, orthopedic surgery, pulmonary disease treatment, and telemedicine and cyberhealth. The commitment demonstrated by all its members is commendable and a model of distinction. The Kuakini Health System is and will always remain an integral part of Hawaii's community. They have my respect and profound appreciation for their steadfast ambition and the necessary work they do.

Mr. President, I ask my colleagues to join me in acknowledging this truly remarkable occasion for the Kuakini Health System.●

#### REMEMBERING ROBERT DEAN MOORE

● Mr. JOHNSON. Mr. President, today I wish to recognize the inspirational life and dedicated service of Robert Dean Moore. It has been my great honor to know Robert for many years and to consider him a friend. I have always appreciated his guidance and insight on issues impacting American Indian tribes in South Dakota and throughout Indian Country.

Robert was born on May 3, 1963. He was an enrolled member of the Rosebud Sioux Tribe and a proud graduate of Sinte Gleska University in Mission, SD. Robert passed away on May 29, 2010. His family, friends, and extended community have lost a great leader and dear friend. His funeral was held on June 5, 2010, and the outpouring of memories and tributes at the service reflected the widespread impact that Robert had on so many lives.

Robert represented South Dakota as a delegate to the Democratic National Convention. Robert was an incredibly talented singer, and in 1996 and 2008, he gave powerful renditions of the National Anthem to the delegates. I was also fortunate enough to have him sing during my first swearing in ceremony in the U.S. Senate in 1997.

In the early 1990s, Robert served as a staff member for my colleague, Senator Tom Daschle. It was during his time in Senator Daschle's office that Robert developed an in-depth understanding about Federal Government and the legislative process. Robert advised Senator Daschle on Indian affairs and excelled in that position. He would utilize this valuable perspective to benefit the Lakota people for the rest of his life. Robert also worked to raise awareness in Congress about the Federal trust responsibility and the unique government-to-government relationship between the Federal Government and Indian tribes. Later, Robert moved to Denver to work for the Federal Emergency Management Agency, FEMA, in their tribal government division. He worked with tribes in Great Plains region on disaster mitigation and in other times of need.

Robert was elected to a 4-year term on the Rosebud Sioux Tribal Council in 2004. His passion for advocating for the Sicangu Lakota and other tribes of the Great Sioux Nation was never more apparent than when he worked on health care issues. He was a leader for American Indian health issues on the national level, often representing the tribes of the Great Plains region both to the National Congress of American Indians and to the Tribal Technical Advisory Committee for the Centers for Medicare and Medicaid. I am truly sorry that Robert did not live to see the effects of increased reimbursements for Medicaid nor full implementation of the Indian Health Care Improvement Act; however, those who witnessed his efforts will never forget his tireless involvement.

I greatly admired Robert's understanding of the cultural value and importance of family. He was a dedicated son, showering his parents, Marries and Frances, with genuine care and love. Robert's countless accomplishments, from his memorable vocal talents to his unflinching public service, will live on for many years to come. Robert demonstrated an admirable love of life and commitment to others, which ought to serve as an inspiration for all of us.●

● Mr. THUNE. Mr. President, today I pay honor to Robert Dean Moore of Mission, SD, who passed away on May 29, 2010, after a courageous battle with cancer. He is survived by his parents, Reverend and Doctor Marries and Frances Moore, and his brother and sister-in-law, Reverend Jack and Nancy Moore.

Robert dedicated his life to improving the health and well being of all Native Americans, including members of the Rosebud Sioux Tribe, of which Robert was an enrolled member. This mission led him into public service, where he was elected as a Rosebud Sioux tribal councilman as well as being a member of the Aberdeen Area Tribal Chairman's Health Board. Robert was not only a vocal supporter of enactment of the Indian Health Care Improvement Act earlier this year, he was also a strong advocate for better research, education, and prevention of tribal youth suicide.

In addition to his dedication to public service and the betterment of his people, Robert lived his life with a strong foundation in his faith. He was also blessed with an exceptional vocal talent that allowed him to touch many across the country through performance.

Robert Dean Moore's devoted service to the people of the Rosebud Sioux Tribe and the rest of Indian Country is an inspiration to us all.●

#### FOREST PRODUCTS LAB

● Mr. KOHL. Mr. President, the Forest Products Laboratory, FPL, in Madison, WI, was established in 1910 to "promote healthy forest and forest-based economies through the efficient, sustainable use of American wood resources." This month we celebrate the 100 year anniversary of the establishment of the FPL. I would like to congratulate all past and present employees for the FPL for a century of service to the American public and their steadfast devotion to developing new and innovative usages for wood and wood products.

Over the years their research has led to many improvements and breakthroughs in wood utilization. Early research at the laboratory focused on timber testing, wood preservation, and wood chemistry. Today, the mission of the FPL has never been more relevant. Our Nation's forest can help solve some of the greatest challenges our nation faces such as climate change and energy security. Forests contain a sig-

nificant amount of small diameter wood that increases the risk of fire and disease. Finding new ways to utilize small diameter wood will improve forest health and has the potential to offset carbon emissions by utilizing wood, a renewable resource, as a building material. Right now, the Forest Products Laboratory is developing better ways to utilize small diameter wood for energy production and as a "green" building material. I am confident that the Forest Products Laboratory will continue to provide creative solutions to effectively manage our national wood resources and create a green economy.

On behalf of our State and Nation, I thank the FPL for a century of research that has improved the lives of every American and the health of our Nation's forests.●

#### CELEBRATION SINGERS OF CENTRAL ARKANSAS

● Mrs. LINCOLN. Mr. President, today I recognize the Celebration Singers of Central Arkansas, who will be performing this weekend at the National Cathedral in Washington, DC, as the feature choir for the 2010 Nation's Capital Festival of Youth Choirs. This group of 60 young singers from Sherwood and North Little Rock represent the best of Arkansas, and I am pleased that they will be able to share their talents at this special performance.

The Celebration Singers Choir is an award-winning choir comprised of students in 6th through 12th grade, and serves as the premier worship choir for the Student Ministry at Cornerstone Bible Fellowship in Sherwood, AR.

In addition to singing at Sunday worship services throughout the year, the choir takes an extensive mission tour every other summer as they share God's love through music and fellowship with people in other churches, nursing homes, retirement centers and various shelters that assist people in crisis and other needs.

Under the leadership of conductor Eddie W. Airheart, the choir has performed across the United States, including at the Cathedral of St. John the Divine, New York's Battery Park, St. Patrick's Cathedral, and the United States Naval Academy Chapel in Annapolis, MD. The choir has also performed across Central Arkansas at The Cathedral of St. Andrew, First Presbyterian Church, and St. James United Methodist Church.

I commend these young people for their dedication to serving others through music and worship.●

#### WESTARK AREA COUNCIL BOY SCOUTS OF AMERICA

● Mrs. LINCOLN. Mr. President, today I recognize the Westark Area Council Boy Scouts of America as they celebrate the 90th anniversary of their founding with a day of recreation, fun, and learning at Camp Orr, on the Buffalo River north of Jasper, AR.

Founded in 1920, Westark Area Council serves 17 counties in northwest Arkansas.

Under the current leadership of Bryan Feather, Scout executive and CEO, and Dr. Paul Beran, president, the Westark Area Council helps Scouts gain a sense of pride, self-confidence and responsibility. Scouting instills virtues that are an integral part of shaping a young person's life, and they can be essential in building the strong character of a leader.

I extend my heartfelt congratulations to each and every scout, scoutmaster, volunteer, parent, staff member, and alumni of the Westark Area Council as they celebrate this milestone.●

#### TRIBUTE TO GENE STALLINGS

● Mr. SHELBY. Mr. President, today I honor Coach Gene Stallings, who will be inducted into the College Football Hall of Fame on July 18, 2010.

Eugene Clifton Stallings was born March 2, 1935, in Paris, TX. As a young man, Gene was an accomplished athlete who demonstrated his natural leadership as the captain for the Paris High School football, baseball, and golf teams. Whether on the gridiron, the diamond, or the links, his abilities were readily apparent. These talents coupled with a tireless work ethic earned him a football scholarship at Texas A&M University, where he would play end for Coach Paul "Bear" Bryant.

At Texas A&M, Stallings would ultimately help the Aggies bring a Southwest Conference Championship back to College Station. But the road to victory was paved with hardship, and it ran through Junction, TX.

When Bryant first signed on as the head coach for Texas A&M's football team in 1954, more than 100 players were listed on the Aggies' roster. What players were left after a grueling spring and summer regimen attended a preseason camp at an adjunct campus in Junction. After 10 days of practicing during a record Texan drought and heat that at times reached 100 degrees Fahrenheit, less than 40 players remained to take the field as the 1954 Aggies. Gene Stallings was among the strong that survived and have since been known simply as the Junction Boys.

The Junction Boys returned to campus stronger, with a clearer sense of purpose and unity. Though their success was not immediate—the 1954 Aggies won only one game—they persevered. These men, forged in the Texas heat, kept working through these setbacks and losses.

The Aggies would finish the 1956 season as undefeated Southwestern Conference Champions, thanks in no small part to the resolve of the Junction Boys that lead that team. They demonstrated the truth of the Bear's simple philosophy: "the price of victory is high, but so are the rewards."

Stallings finished his playing career after the 1956 season, but his football

career was far from over and would soon flourish. He followed Bryant to the University of Alabama in 1958 and served as an assistant coach for the 1961 and 1964 National Championship teams. After helping restore the winning Tradition of the Crimson Tide, Coach Stallings returned to his alma mater, where he would lead the Aggies to another Southwestern Conference Championship in 1967.

Stallings left College Station for the Dallas Cowboys in 1972. After 18 years in the NFL, he returned to the Capstone to lead the Crimson Tide back atop the elite of college football yet again.

In 1992, Coach Stallings' Crimson Tide, led by a stifling defense and a workhorse offense, won the inaugural Southeastern Conference Championship game and the National Championship in classic wins over the University of Florida Gators and the University of Miami Hurricanes. Scenes from these great moments in Crimson Tide history are to this day replayed before each and every game at Bryant-Denny Stadium.

In November of 1996, and after coaching the Crimson Tide to seventy victories in 7 years, Stallings announced that he would retire from football for the one thing that he loved more: his son John Mark Stallings. John Mark was born with Down syndrome and was not expected to live past the age of four. He lived 46 years, proving that uncommon strength is a common trait in the Stallings household.

Though he was greatly missed at the Capstone, it was not hard to understand why Coach Stallings left for his son. John Mark, himself, was much beloved by the Crimson Tide family. The equipment room at the football complex is even named in his honor. John Mark was known for his ability to positively impact the people around him with his kind nature and genuine interest in their lives. After his passing, athletics director Mal Moore stated that "For someone who never played or coached a game, I think John Mark may have touched more Alabama fans than any other person ever did."

By anyone else's standards, Coach Stallings' time in Tuscaloosa was his most successful, but Stallings doesn't measure success in wins, trophies, and championships. He measures his success by the lives that he has positively affected. As a football coach, he did so by instilling the values of character, discipline, and integrity in young men. He did just that at every stop on his coaching path, and, even after football, he continues to succeed in affecting his community and our Nation.

John Mark inspired his father to advocate on behalf of persons with disabilities. Coach Stallings worked to start a golf tournament to benefit the Arc of Tuscaloosa County, a local non-profit organization devoted to helping the intellectually and developmentally disabled. This tournament raised more than \$1 million for the program by the time he left Tuscaloosa in 1996.

Stallings has also been a prolific fundraiser for the RISE School at the University of Alabama, which provides family-oriented services to children with developmental disabilities. When he returned to the Capstone, the RISE School had devoted educators and a special cause, but the underfunded program languished in subpar facilities. RISE's staff worried that each year would be their last.

The value of RISE was not truly known nor its potential realized until Coach Stallings came on the scene. Following a 2-year capital campaign, the RISE School moved to a state-of-the-art building with six classrooms that serve more than 80 students. This beautiful building on the Alabama campus is named the Stallings Center in honor of Coach Stallings' tireless efforts on RISE's behalf, and John Mark is remembered at the school's playground, which is named for him.

With John Mark's inspiration and Coach Stallings' signature work ethic, the RISE program spread from Tuscaloosa to Austin, Corpus Christi, Dallas, Houston, Denver, and Stillwater. Today, families across the country can receive early intervention services for their young children with disabilities. The dedicated teachers and administrators of the RISE program teach these children what they can do, rather than what they cannot.

For enduring the trials of Junction, for passing on these lessons of character, and for helping to grow a culture that embraces and encourages persons with disabilities, Eugene Clifton Stallings has certainly proven himself worthy of being immortalized in the College Football Hall of Fame.

On behalf of the University of Alabama, the Crimson Tide faithful, and the whole of the great State of Alabama, I thank Coach Stallings for his contributions to my alma mater and our community. We are truly fortunate for the examples he has set as a player, coach and philanthropist.●

#### RECOGNIZING OXFORD NETWORKS

● Ms. SNOWE. Mr. President, today I recognize a small telecommunications company from my home State of Maine that has proved itself to be a dedicated leader throughout northern New England. Oxford Networks, based in Lewiston with offices in Bangor and Norway, has been serving customers across Maine for over a century, and it has shown no signs of letting up.

Alva Andrews, Oxford's founder, laid the foundation for the company in 1893 by setting up phone service between his family-owned business, located in South Woodstock, and the nearby railroad station in West Paris. Seven years later, in 1900, Mr. Andrews incorporated his firm as Oxford Telephone and Telegraph, a provider of telephone services to the local community in western Maine.

The company has expanded and grown significantly over the last 110

years. In 1981, the company acquired Bryant Pond Telephone Company, and two decades later, purchased Revolution Networks to continue growing its reach. By 2004, Oxford was able to provide cable television, Internet, phone, and long distance service, one of Maine's only facility-based competitive providers to do so. Additionally, the company's fiber optic backbone network presently spreads north as far as Bangor and south down to Boston.

A member of 12 different Chambers of Commerce throughout the State, Oxford Networks, which now employs 125, has been named a Best Place to Work Company for each of the last four years, indicative of the environment the company fosters for its employees. But beyond this remarkable feat, Oxford has demonstrated its commitment to others by becoming an active partner in the community, supporting a host of local charities and initiatives, from the United Way to the Maine Discovery Museum. Company employees raise money for Big Brothers/Big Sisters each spring during the Bowl for Kids Sake fundraiser, and also participate in walking teams for the American Heart Association's Heart Walk. The company has also been the Presenting Underwriter for the Maine Cancer Foundation's Pink Tulip Project since 2007. The project raises money for the Maine Cancer Foundation's Women's Cancer Fund while paying tribute to those who have courageously fought the disease.

From its start in the 1890s with a simple telephone connection, Oxford Networks has transformed the way Maine connects with the world. Because of its forward-thinking and innovative efforts, Oxford is now able to offer a wide range of cutting-edge telecommunications options to its varied client base of small and large businesses, as well as individual residences. Indeed, no problem is too large or too small for this incredible company, which continues to impress its customers with its rapid responsiveness and quality service. I thank everyone at Oxford Networks for the great work they do in the community, and wish them continued success in the future.●

#### TRIBUTE TO CAROLYN "JEANNE" LAURENCE

● Mr. THUNE. Mr. President, today I recognize Jeanne Laurence, who will celebrate her retirement from Rapid City Area Schools this June after 23 years of service. In reaching her retirement milestone, Jeanne Laurence is finishing a career that pioneered computer usage within area schools in Rapid City, SD. Jeanne began her career in the real estate field in Wyoming, but after eight years moved to Rapid City and joined Stevens High School as a secretary. At Stevens she tracked student attendance, grades, and discipline issues. In 1985, the school district was not equipped with computers, so Jeanne performed all tracking and management functions by

hand. At the first opportunity to use a computer, Jeanne automated most of her tasks and encouraged administrators, teachers, and secretaries to take advantage of this new technology.

Over the next several years, Jeanne earned a reputation among co-workers for being an expert on technology solutions. The district quickly recognized Jeanne's expertise and asked her to develop computer classes for fellow staff members. Her knowledge of student management automation resulted in her appointment to the selection committee for the district's first student information system.

Jeanne's experience and reputation led to her selection for a district-wide position in the newly formed Department of Information Technology. In her new role, Jeanne became the sole trainer for over 1,500 employees. She developed technology training for new employees and introduced downloadable video clips to the training process. The groundwork provided by Jeanne Laurence in technical education and training has made a significant contribution to the professional development of the staff and to the educational success of the students in the Rapid City Area Schools. Her tireless efforts have brought great credit to her school district and to herself. Congratulations on a well deserved retirement.●

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

#### REPORT OF THE CONTINUATION OF THE NATIONAL EMERGENCY THAT WAS DECLARED IN EXECUTIVE ORDER 13159 OF JUNE 21, 2000, WITH RESPECT TO THE RISK OF NUCLEAR PROLIFERATION CREATED BY THE ACCUMULATION OF WEAPONS-USABLE FISSILE MATERIAL IN THE TERRITORY OF THE RUSSIAN FEDERATION—PM 63

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

*To the Congress of the United States:*

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides

for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the *Federal Register* for publication the enclosed notice stating that the emergency declared in Executive Order 13159 of June 21, 2000, with respect to the risk of nuclear proliferation created by the accumulation of a large volume of weapons-usable fissile material in the territory of the Russian Federation is to continue beyond June 21, 2010.

It remains a major national security goal of the United States to ensure that fissile material removed from Russian nuclear weapons pursuant to various arms control and disarmament agreements is dedicated to peaceful uses, subject to transparency measures, and protected from diversion to activities of proliferation concern. The accumulation of a large volume of weapons-usable fissile material in the territory of the Russian Federation continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. For this reason, I have determined that it is necessary to continue the national emergency declared with respect to the risk of nuclear proliferation created by the accumulation of a large volume of weapons-usable fissile material in the territory of the Russian Federation and maintain in force these emergency authorities to respond to this threat.

BARACK OBAMA.

THE WHITE HOUSE, June 17, 2010.

#### MESSAGE FROM THE HOUSE

At 10:09 a.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2142. An act to require quarterly performance assessments of Government programs for purposes of assessing agency performance and improvement, and to establish agency performance improvement officers and the Performance Improvement Council.

H.R. 4451. An act to reinstate and transfer certain hydroelectric licenses and extend the deadline for commencement of construction of certain hydroelectric projects.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 242. Concurrent resolution honoring and praising the National Association for the Advancement of Colored People on the occasion of its 101st anniversary.

#### ENROLLED BILL SIGNED

The President pro tempore (Mr. BYRD) announced that he had signed the following enrolled bill, which was previously signed by the Speaker of the House:

H.R. 3951. An act to designate the facility of the United States Postal Service located

at 2000 Louisiana Avenue in New Orleans, Louisiana, as the "Roy Rondenro, Sr. Post Office Building".

#### MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2142. An act to require quarterly performance assessments of Government programs for purposes of assessing agency performance and improvement, and to establish agency performance improvement officers and the Performance Improvement Council; to the Committee on Homeland Security and Governmental Affairs.

H.R. 4451. An act to reinstate and transfer certain hydroelectric licenses and extend the deadline for commencement of construction of certain hydroelectric projects; to the Committee on Energy and Natural Resources.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6256. A communication from the Deputy Associate Commissioner, Office of Regulations, Social Security Administration, transmitting, pursuant to law, the report of a rule entitled "Social Security Implementation of Office of Management and Budget (OMB) Guidance for Drug-Free Workplace Requirements" (RIN0960-AH14) received in the Office of the President of the Senate on June 10, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6257. A communication from the Board of Trustees, National Railroad Retirement Investment Trust, transmitting, pursuant to law, a report relative to the actuarial status of the railroad retirement system; to the Committee on Health, Education, Labor, and Pensions.

EC-6258. A communication from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Final Rule Relating to Time and Order of Issuance of Domestic Relations Orders" (RIN1210-AB15) received in the Office of the President of the Senate on June 10, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6259. A communication from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Adoption of Amendment to the Class Exemption for the Release of Claims and Extensions of Credit in Connection with Litigation (PTE2003-39)" (RIN1210-ZA03) received in the Office of the President of the Senate on June 15, 2010; to the Committee on Health, Education, Labor, and Pensions.

EC-6260. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulation; Federal Acquisition Circular 2005-42; Small Entity Compliance Guide" (FAC 2005-42) received in the Office of the President of the Senate on June 16, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6261. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the

report of a rule entitled "Federal Acquisition Regulation; Technical Amendments" (FAC 2005-42) received in the Office of the President of the Senate on June 16, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6262. A communication from the Acting Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "General Services Administration Acquisition Regulation; GSAR Case 2008-G503, Rewrite of GSAR Part 505, Publicizing Contract Actions" (RIN3090-AI71) received during adjournment of the Senate in the Office of the President of the Senate on June 11, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6263. A communication from the Broadcasting Board of Governors, transmitting, pursuant to law, the Semiannual Report of the Board's Inspector General for the period from October 1, 2009, through March 31, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC-6264. A communication from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, an annual report relative to the activities and operations of the Public Integrity Section, Criminal Division, and the nationwide federal law enforcement effort against public corruption for 2009; to the Committee on the Judiciary.

#### EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. ROCKEFELLER for the Committee on Commerce, Science, and Transportation.

\*John S. Pistole, of Virginia, to be an Assistant Secretary of Homeland Security.

\*Earl F. Weener, of Oregon, to be a Member of the National Transportation Safety Board for a term expiring December 31, 2015.

Mr. ROCKEFELLER. Mr. President, for the Committee on Commerce, Science, and Transportation I report favorably the following nomination list which was printed in the RECORD on the date indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that this nomination lie at the Secretary's desk for the information of Senators.

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

\*National Oceanic and Atmospheric Administration nominations beginning with David A. Score and ending with Demian A. Bailey, which nominations were received by the Senate and appeared in the Congressional Record on June 8, 2010.

By Mr. LEAHY for the Committee on the Judiciary.

John J. McConnell, Jr., of Rhode Island, to be United States District Judge for the District of Rhode Island.

Pamela Cothran Marsh, of Florida, to be United States Attorney for the Northern District of Florida for the term of four years.

Peter J. Smith, of Pennsylvania, to be United States Attorney for the Middle District of Pennsylvania for the term of four years.

Kevin Anthony Carr, of Wisconsin, to be United States Marshal for the Eastern District of Wisconsin for the term of four years.

\*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to

respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 3501. A bill to protect American job creation by striking the job-killing Federal employer mandate; to the Committee on Finance.

By Mr. HATCH:

S. 3502. A bill to restore Americans' individual liberty by striking the Federal mandate to purchase insurance; to the Committee on Finance.

By Mr. CARDIN:

S. 3503. A bill to authorize grants for an international documentary exchange program; to the Committee on Foreign Relations.

By Mrs. MURRAY:

S. 3504. A bill to establish a public education and awareness program relating to emergency contraception; to the Committee on Health, Education, Labor, and Pensions.

By Ms. STABENOW (for herself, Mr. GRAHAM, Mr. FEINGOLD, Mr. BROWN of Ohio, and Mr. CASEY):

S. 3505. A bill to prohibit the purchases by the Federal Government of Chinese goods and services until China agrees to the Agreement on Government Procurement, and for other purposes; to the Committee on Finance.

By Ms. LANDRIEU (for herself and Mr. KERRY):

S. 3506. A bill to improve certain programs of the Small Business Administration to better assist small business customers in accessing broadband technology and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Mr. FEINGOLD (for himself and Mr. ENSIGN):

S. 3507. A bill to amend the Atomic Energy Act of 1954 to require congressional approval of agreements for peaceful nuclear cooperation with foreign countries, and for other purposes; to the Committee on Foreign Relations.

By Mr. UDALL of New Mexico (for himself and Mr. BROWNBACK):

S. 3508. A bill to strengthen the capacity of the United States to lead the international community in reversing renewable natural resource degradation trends around the world that threaten to undermine global prosperity and security and eliminate the diversity of life on Earth, and for other purposes; to the Committee on Foreign Relations.

By Mr. UDALL of Colorado (for himself, Mrs. SHAHEEN, and Mr. BINGAMAN):

S. 3509. A bill to amend the Energy Policy Act of 2005 to promote the research and development of technologies and best practices for the safe development and extraction of natural gas and other petroleum resources, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CONRAD (for himself, Mr. CORNYN, Mr. GRAHAM, Mr. NELSON of Florida, and Mr. LEMIEUX):

S. 3510. A bill to amend the Internal Revenue Code of 1986 to permanently extend the

15-year recovery period for qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property; to the Committee on Finance.

By Mr. BINGAMAN (for himself and Ms. MURKOWSKI):

S.J. Res. 33. A joint resolution to provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law; considered and passed.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BAYH (for himself, Mr. THUNE, Mrs. MURRAY, Mr. BYRD, Mr. BURRIS, Ms. LANDRIEU, Mr. CASEY, and Mrs. LINCOLN):

S. Res. 560. A resolution recognizing the immeasurable contributions of fathers in the healthy development of children, supporting responsible fatherhood, and encouraging greater involvement of fathers in the lives of their families, especially on Father's Day; to the Committee on the Judiciary.

#### ADDITIONAL COSPONSORS

S. 46

At the request of Mr. ENSIGN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 46, a bill to amend title XVIII of the Social Security Act to repeal the Medicare outpatient rehabilitation therapy caps.

S. 729

At the request of Mr. DURBIN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 729, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to permit States to determine State residency for higher education purposes and to authorize the cancellation of removal and adjustment of status of certain alien students who are long-term United States residents and who entered the United States as children, and for other purposes.

S. 738

At the request of Ms. LANDRIEU, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 738, a bill to amend the Consumer Credit Protection Act to assure meaningful disclosures of the terms of rental-purchase agreements, including disclosures of all costs to consumers under such agreements, to provide certain substantive rights to consumers under such agreements, and for other purposes.

S. 1055

At the request of Mrs. BOXER, the names of the Senator from Montana (Mr. TESTER) and the Senator from Missouri (Mr. BOND) were added as cosponsors of S. 1055, a bill to grant the congressional gold medal, collectively, to the 100th Infantry Battalion and the 442nd Regimental Combat Team,



United States Army, in recognition of their dedicated service during World War II.

S. 1137

At the request of Mr. FEINGOLD, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1137, a bill to amend the Elementary and Secondary Education Act of 1965 to establish a Volunteer Teacher Advisory Committee.

S. 1334

At the request of Mrs. GILLIBRAND, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of S. 1334, a bill to amend the Public Health Service Act to extend and improve protections and services to individuals directly impacted by the terrorist attack in New York City on September 11, 2001, and for other purposes.

S. 1553

At the request of Mr. GRASSLEY, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1553, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Future Farmers of America Organization and the 85th anniversary of the founding of the National Future Farmers of America Organization.

S. 1619

At the request of Mr. DODD, the names of the Senator from Maryland (Mr. CARDIN) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 1619, a bill to establish the Office of Sustainable Housing and Communities, to establish the Interagency Council on Sustainable Communities, to establish a comprehensive planning grant program, to establish a sustainability challenge grant program, and for other purposes.

S. 1859

At the request of Mr. ROCKEFELLER, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 1859, a bill to reinstate Federal matching of State spending of child support incentive payments.

S. 3183

At the request of Mr. WYDEN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 3183, a bill to amend the Internal Revenue Code of 1986 to extend the nonbusiness energy property credit to roofs with pigmented coatings which meet Energy Star program requirements.

S. 3232

At the request of Mr. BURR, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 3232, a bill to amend the Internal Revenue Code of 1986 to make employers of spouses of military personnel eligible for the work opportunity credit.

S. 3295

At the request of Mr. SCHUMER, the name of the Senator from North Carolina (Mrs. HAGAN) was added as a cosponsor of S. 3295, a bill to amend the Federal Election Campaign Act of 1971

to prohibit foreign influence in Federal elections, to prohibit government contractors from making expenditures with respect to such elections, and to establish additional disclosure requirements with respect to spending in such elections, and for other purposes.

S. 3466

At the request of Mr. LEAHY, the names of the Senator from Delaware (Mr. KAUFMAN) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of S. 3466, a bill to require restitution for victims of criminal violations of the Federal Water Pollution Control Act, and for other purposes.

S. 3492

At the request of Mr. LAUTENBERG, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 3492, a bill to amend the Outer Continental Shelf Lands Act to require the drilling of emergency relief wells, and for other purposes.

S.J. RES. 30

At the request of Mr. ISAKSON, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S.J. Res. 30, a joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the National Mediation Board relating to representation election procedures.

S.J. RES. 32

At the request of Mr. INHOFE, his name was added as a cosponsor of S.J. Res. 32, a joint resolution recognizing the 60th anniversary of the outbreak of the Korean War and reaffirming the United States-Korea alliance.

S. RES. 548

At the request of Mr. CORNYN, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. Res. 548, a resolution to express the sense of the Senate that Israel has an undeniable right to self-defense, and to condemn the recent destabilizing actions by extremists aboard the ship Mavi Marmara.

AMENDMENT NO. 4324

At the request of Mr. WHITEHOUSE, the names of the Senator from Tennessee (Mr. CORKER), the Senator from Virginia (Mr. WARNER), the Senator from New York (Mr. SCHUMER) and the Senator from Florida (Mr. LEMIEUX) were added as cosponsors of amendment No. 4324 intended to be proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

AMENDMENT NO. 4363

At the request of Ms. CANTWELL, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of amendment No. 4363 intended to be proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. UDALL of New Mexico  
(for himself and Mr.  
BROWNBACK):

S. 3508. A bill to strengthen the capacity of the United States to lead the international community in reversing renewable natural resource degradation trends around the world that threaten to undermine global prosperity and security and eliminate the diversity of life on Earth, and for other purposes; to the Committee on Foreign Relations.

Mr. UDALL of New Mexico. I rise today to introduce the bipartisan Global Conservation Act of 2010 with my colleague and fellow advocate on international conservation issues, Senator SAM BROWNBACK of Kansas.

As our world grows increasingly intertwined through commerce, communication, and culture, we must also work together to protect the earth's natural resources through conservation. This bill acknowledges the important role our natural resources play in global economics, global health, and global security, and takes steps to strengthen the United States' involvement and productivity in conservation on a global scale.

As described in the legislation being introduced today, competing needs around the world are taxing natural resources that are vital to human survival. For example, 500 million people in developing countries depend on fresh water from natural areas that are under threat of degradation, and two billion people depend on rapidly diminishing fish stocks for a significant source of their daily protein. In contrast, wild species provide more than \$300 billion in protection and benefits to world agriculture, including natural pest control and the pollination of two thirds of the crop species that feed the world. Forests prevent catastrophic flooding and severe drought, and coral reefs and mangroves reduce the impact of large storms on coastal populations, saving \$9 billion in damages each year and reducing outlays for disaster assistance.

As natural resources continue to be polluted and depleted throughout the world, economies are threatened and conflicts begin to emerge. The United States National Intelligence Council expects demographic trends and natural resource scarcities relating to water, food, arable land, and energy sources to lead to instabilities and conflict in the years ahead.

With such threats looming, it is with urgency that we introduce this legislation that recognizes the intrinsic link between communities, conflict, and natural resources, and which looks to a future of local involvement in the preservation of natural resources for the benefit of international communities. The bill establishes conservation as a fundamental element in economic development, conflict mitigation, and adaptation to climate change.

To meet the conservation challenges of the 21st century, the Global Conservation Act reduces the duplication of Federal programs by bringing all U.S. agencies involved in conservation together to establish a national strategy for global conservation. Several executive branch agencies are engaged in some aspect of international conservation, yet their efforts are not coordinated in a manner that maximizes the effectiveness of the overall international conservation efforts of the United States.

By establishing an interagency working group, a special coordinator, and a presidential advisory committee on global conservation, this bill sets up the infrastructure to coordinate the efforts of the various federal agencies under a national strategy for international conservation. The bill identifies measurable goals, benchmarks, and timeframes for long-term action in the area of global conservation.

As our nation continues to strengthen its participation in the global community through conflict mitigation, foreign aid, and economic interaction, it is essential that we promote strong international conservation initiatives focused on the involvement and support of local communities. Such initiatives will only strengthen global security, health, and economies. This bill establishes a clear and unified direction for our international conservation efforts, and I look forward to working with my colleagues to move it through the legislative process.

By Mr. UDALL of Colorado (for himself, Mrs. SHAHEEN, and Mr. BINGAMAN):

S. 3509. A bill to amend the Energy Policy Act of 2005 to promote the research and development of technologies and best practices for the safe development and extraction of natural gas and other petroleum resources, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. UDALL of Colorado. Mr. President, today I am joined by Senator SHAHEEN and Chairman BINGAMAN in introducing a bill to help prevent future disasters like the one we are seeing unfold in the Gulf of Mexico. Our bill focuses Federal oil and gas research and development funds on well safety and accident prevention. There are many lessons to be learned from this tragedy, but one of the most important is that we need more advanced technology to prevent future accidents and ensure the safety of our oil and gas workers.

This oil spill has highlighted many problems with the operation of the oil and gas industry and the threat that accidents have to our families, economy and environment. While the industry has opened up new areas to oil and gas production, developments in safety and well control technology have not always kept pace. That is unacceptable. Eleven people lost their lives during this tragedy, and we do not yet

know the full extent of the economic, health and environmental damage that will be caused by the spill.

Unfortunately, out of control wells are not a unique circumstance. Over the last month, two major onshore incidents occurred as well. First, a gas well explosion in West Virginia injured seven workers and then another occurred in Pennsylvania where it appears that a blowout preventer did not work properly.

It is clear that oil is and will continue to be an important energy source for us for many years to come, especially for our transportation sector. But, while we will continue to drill for oil and gas, we cannot repeat the mistakes, negligence or recklessness that led to this disaster. We must learn from this accident and aggressively develop better technology to stop these spills from happening in the first place, both onshore and offshore.

That is why I am introducing the Safer Oil and Gas Production Research and Development Act. This bill would change an existing oil and gas research and development program within the Department of Energy, DOE, to refocus it specifically on technologies to improve the safety of exploration and production activities, including well integrity, well control, blowout prevention, and well plugging and abandonment.

In addition, the legislation would also require DOE to publish an annual update of the program's work and outline recommendations for the implementation of its research findings. This oversight is important so that we can ensure this information is public, transparent, and readily available to entrepreneurs and others who could further develop these technologies.

I should emphasize that my bill is only one of the many steps we must take to respond to this accident. Not only do we need to work to prevent future accidents, we need to make sure we are better prepared to respond when they occur.

It is unacceptable that the spill prevention and response technology we are using today is the same as was used in the last disaster—the Exxon Valdez spill in 1989, over 20 years ago. That is why I am a proud co-sponsor of Senator SHAHEEN's bill to create a new program at the Department of the Interior to research and develop spill response and mitigation technology. Her bill, which also is being introduced today, is a perfect complement to mine—both programs are needed to move our oil drilling technology forward.

Our two bills will take common-sense steps to improve drilling safety, prevent accidents and help ensure that if an accident does occur, we are better prepared to respond. This tragedy is a wake-up call that proves that we need to begin changing the way we generate and consume energy.

## SUBMITTED RESOLUTIONS

SENATE RESOLUTION 560—RECOGNIZING THE IMMEASURABLE CONTRIBUTIONS OF FATHERS IN THE HEALTHY DEVELOPMENT OF CHILDREN, SUPPORTING RESPONSIBLE FATHERHOOD, AND ENCOURAGING GREATER INVOLVEMENT OF FATHERS IN THE LIVES OF THEIR FAMILIES, ESPECIALLY ON FATHER'S DAY

Mr. BAYH (for himself, Mr. THUNE, Mrs. MURRAY, Mr. BYRD, Mr. BURRIS, Ms. LANDRIEU, Mr. CASEY, and Mrs. LINCOLN) submitted the following resolution; which was referred to the Committee on the Judiciary:

### S. RES. 560

Whereas responsible fatherhood is a priority for the United States;

Whereas the most important factor in the upbringing of a child is whether the child is brought up in a healthy and supportive environment;

Whereas father-child interaction, like mother-child interaction, has been shown to promote the positive physical, social, emotional, and mental development of

Whereas research shows that men are more likely to live healthier, longer, and more fulfilling lives when they are involved in the lives of their children and participate in caregiving;

Whereas programs to encourage responsible fatherhood should promote and provide support services for—

(1) fostering loving and healthy relationships between parents and children; and

(2) increasing the responsibility of non-custodial parents for the long-term care and financial well-being of their children;

Whereas research shows that working with men and boys to change attitudes towards women can have a profound impact on reducing violence against women;

Whereas research shows that women are significantly more satisfied in relationships when responsible fathers participate in the daily care of children;

Whereas children around the world do better in school and are less delinquent when fathers participate closely in their lives;

Whereas responsible fatherhood is an important component of successful development policies and programs in countries throughout the world;

Whereas the United States Agency for International Development recognizes the importance of caregiving fathers for more stable and effective development efforts; and

Whereas Father's Day is the third Sunday in June: Now, therefore, be it

*Resolved*, That the Senate—

(1) recognizes June 20, 2010, as Father's Day;

(2) honors the men in the United States and around the world who are active in the lives of their children, which in turn, has a significant impact on their children, their families, and their communities;

(3) underscores the need for increased public awareness and activities regarding responsible fatherhood and healthy families; and

(4) reaffirms the commitment of the United States to supporting and encouraging global fatherhood initiatives that significantly benefit international development efforts.

## AMENDMENTS SUBMITTED AND PROPOSED

SA 4376. Mr. THUNE (for himself, Mr. McCONNELL, Mr. MCCAIN, Mr. ISAKSON, Mr. BOND, Mr. ENZI, Mr. CORNYN, Mr. BARRASSO, Mr. ROBERTS, Mr. COBURN, Mr. CHAMBLISS, Mr. BROWN of Massachusetts, and Mr. GREGG) proposed an amendment to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

SA 4377. Mr. BOND submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, supra; which was ordered to lie on the table.

SA 4378. Mr. BOND submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, supra; which was ordered to lie on the table.

SA 4379. Mr. VITTER submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, supra; which was ordered to lie on the table.

SA 4380. Mr. BUNNING (for himself, Mr. ROCKEFELLER, Mr. BYRD, and Mr. ENZI) submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, supra; which was ordered to lie on the table.

SA 4381. Mr. BENNET submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, supra; which was ordered to lie on the table.

SA 4382. Mrs. LINCOLN (for herself, Mr. CORNYN, and Mr. ENSIGN) submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, supra; which was ordered to lie on the table.

## TEXT OF AMENDMENTS

**SA 4376.** Mr. THUNE (for himself, Mr. McCONNELL, Mr. MCCAIN, Mr. ISAKSON, Mr. BOND, Mr. ENZI, Mr. CORNYN, Mr. BARRASSO, Mr. ROBERTS, Mr. COBURN, Mr. CHAMBLISS, Mr. BROWN of Massachusetts, and Mr. GREGG) proposed an amendment to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

Strike all after the first word and insert the following:

## 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “American Jobs and Closing Tax Loopholes Act of 2010”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in titles I, II, and IV of this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.

## TITLE I—INFRASTRUCTURE INCENTIVES

Sec. 101. Exempt-facility bonds for sewage and water supply facilities.

Sec. 102. Extension of exemption from alternative minimum tax treatment for certain tax-exempt bonds.

Sec. 103. Allowance of new markets tax credit against alternative minimum tax.

Sec. 104. Extension of tax-exempt eligibility for loans guaranteed by Federal home loan banks.

Sec. 105. Extension of temporary small issuer rules for allocation of tax-exempt interest expense by financial institutions.

## TITLE II—EXTENSION OF EXPIRING PROVISIONS

## Subtitle A—Energy

Sec. 201. Alternative motor vehicle credit for new qualified hybrid motor vehicles other than passenger automobiles and light trucks.

Sec. 202. Incentives for biodiesel and renewable diesel.

Sec. 203. Extension and modification of credit for steel industry fuel.

Sec. 204. Credit for producing fuel from coke or coke gas.

Sec. 205. New energy efficient home credit.

Sec. 206. Special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities.

Sec. 207. Suspension of limitation on percentage depletion for oil and gas from marginal wells.

Sec. 208. Direct payment of energy efficient appliances tax credit.

Sec. 209. Modification of standards for windows, doors, and skylights with respect to the credit for non-business energy property.

Sec. 210. Credit for electricity produced at certain open-loop biomass facilities.

Sec. 211. Excise tax credits and outlay payments for alternative fuel and alternative fuel mixtures.

Sec. 212. Credit for refined coal facilities.

Sec. 213. Credit for production of low sulfur diesel fuel.

## Subtitle B—Individual Tax Relief

## PART I—MISCELLANEOUS PROVISIONS

Sec. 221. Deduction for certain expenses of elementary and secondary school teachers.

Sec. 222. Additional standard deduction for State and local real property taxes.

Sec. 223. Deduction of State and local sales taxes.

Sec. 224. Contributions of capital gain real property made for conservation purposes.

Sec. 225. Above-the-line deduction for qualified tuition and related expenses.

Sec. 226. Tax-free distributions from individual retirement plans for charitable purposes.

Sec. 227. Look-thru of certain regulated investment company stock in determining gross estate of non-residents.

## PART II—LOW-INCOME HOUSING CREDITS

Sec. 231. Election for direct payment of low-income housing credit for 2010.

## Subtitle C—Business Tax Relief

Sec. 241. Research credit.

Sec. 242. Indian employment tax credit.

Sec. 243. New markets tax credit.

Sec. 244. Railroad track maintenance credit.

Sec. 245. Mine rescue team training credit.

Sec. 246. Employer wage credit for employees who are active duty members of the uniformed services.

Sec. 247. 5-year depreciation for farming business machinery and equipment.

Sec. 248. 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements.

Sec. 249. 7-year recovery period for motor-sports entertainment complexes.

Sec. 250. Accelerated depreciation for business property on an Indian reservation.

Sec. 251. Enhanced charitable deduction for contributions of food inventory.

Sec. 252. Enhanced charitable deduction for contributions of book inventories to public schools.

Sec. 253. Enhanced charitable deduction for corporate contributions of computer inventory for educational purposes.

Sec. 254. Election to expense mine safety equipment.

Sec. 255. Special expensing rules for certain film and television productions.

Sec. 256. Expensing of environmental remediation costs.

Sec. 257. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.

Sec. 258. Modification of tax treatment of certain payments to controlling exempt organizations.

Sec. 259. Exclusion of gain or loss on sale or exchange of certain brownfield sites from unrelated business income.

Sec. 260. Timber REIT modernization.

Sec. 261. Treatment of certain dividends of regulated investment companies.

Sec. 262. RIC qualified investment entity treatment under FIRPTA.

Sec. 263. Exceptions for active financing income.

Sec. 264. Look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules.

Sec. 265. Basis adjustment to stock of S corps making charitable contributions of property.

Sec. 266. Empowerment zone tax incentives.

Sec. 267. Renewal community tax incentives.

Sec. 268. Temporary increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands.

Sec. 269. Payment to American Samoa in lieu of extension of economic development credit.

Sec. 270. Election to temporarily utilize unused AMT credits determined by domestic investment.

Sec. 271. Reduction in corporate rate for qualified timber gain.

Sec. 272. Study of extended tax expenditures.

## Subtitle D—Temporary Disaster Relief Provisions

## PART I—NATIONAL DISASTER RELIEF

Sec. 281. Waiver of certain mortgage revenue bond requirements.

Sec. 282. Losses attributable to federally declared disasters.

Sec. 283. Special depreciation allowance for qualified disaster property.

Sec. 284. Net operating losses attributable to federally declared disasters.

Sec. 285. Expensing of qualified disaster expenses.

Sec. 286. Special depreciation allowance.

PART II—REGIONAL PROVISIONS  
SUBPART A—NEW YORK LIBERTY ZONE

- Sec. 291. Special depreciation allowance for nonresidential and residential real property.  
Sec. 292. Tax-exempt bond financing.

SUBPART B—GO ZONE

- Sec. 295. Increase in rehabilitation credit.  
Sec. 296. Work opportunity tax credit with respect to certain individuals affected by Hurricane Katrina for employers inside disaster areas.  
Sec. 297. Extension of low-income housing credit rules for buildings in GO zones.

- Sec. 298. Tax-exempt bond financing.

SUBPART C—MIDWESTER DISASTER AREAS

- Sec. 299. Special rules for use of retirement funds.  
Sec. 300. Exclusion of cancellation of mortgage indebtedness.

TITLE III—PENSION PROVISIONS

Subtitle A—Single Employer Plans

- Sec. 301. Extended period for single-employer defined benefit plans to amortize certain shortfall amortization bases.  
Sec. 302. Application of extended amortization period to plans subject to prior law funding rules.  
Sec. 303. Lookback for certain benefit restrictions.  
Sec. 304. Lookback for credit balance rule for plans maintained by charities.

Subtitle B—Multiemployer Plans

- Sec. 321. Adjustments to funding standard account rules.

TITLE IV—REVENUE OFFSETS

- Sec. 401. Rollovers from elective deferral plans to Roth designated accounts.  
Sec. 402. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.  
Sec. 403. Temporary one-year freeze on raises, bonuses, and other salary increases for Federal employees.  
Sec. 404. Capping the total number of Federal employees.  
Sec. 405. Collection of unpaid taxes from employees of the Federal Government.  
Sec. 406. Reducing printing and publishing costs of Government documents.  
Sec. 407. Reducing excessive duplication, overhead and spending within the Federal Government.  
Sec. 408. Eliminating nonessential Government travel.  
Sec. 409. Eliminating bonuses for poor performance by Government contractors.  
Sec. 410. \$1,000,000,000 limitation on voluntary payments to the United Nations.  
Sec. 411. Rescinding a State department training facility unwanted by residents of the community in which it is planned to be constructed.  
Sec. 412. Reducing budgets of Members of Congress.  
Sec. 413. Disposing of unneeded and unused government property.  
Sec. 414. Auctioning and selling of unused and unneeded equipment.  
Sec. 415. Rescinding unspent Federal funds.  
Sec. 416. Use of stimulus funds to offset spending.  
Sec. 417. Deficit Reduction Trust Fund.

TITLE V—UNEMPLOYMENT, HEALTH, AND OTHER ASSISTANCE

Subtitle A—Unemployment Insurance and Other Assistance

- Sec. 501. Extension of unemployment insurance provisions.  
Sec. 502. Coordination of emergency unemployment compensation with regular compensation.

Subtitle B—Physician Payment Update and Other Provisions

PART I—PHYSICIAN PAYMENT UPDATE

- Sec. 511. Physician payment update.  
PART II—EXTENSION OF EXPIRING PROVISIONS  
Sec. 521. Extension of MMA section 508 reclassifications.  
Sec. 522. Extension of Medicare work geographic adjustment floor.  
Sec. 523. Extension of exceptions process for Medicare therapy caps.  
Sec. 524. Extension of payment for technical component of certain physician pathology services.

- Sec. 525. Extension of ambulance add-ons.  
Sec. 526. Extension of physician fee schedule mental health add-on payment.  
Sec. 527. Extension of outpatient hold harmless provision.  
Sec. 528. Extension of Medicare reasonable costs payments for certain clinical diagnostic laboratory tests furnished to hospital patients in certain rural areas.  
Sec. 529. Extension of the qualifying individual (QI) program.  
Sec. 530. Extension of Transitional Medical Assistance (TMA).  
Sec. 531. Extension of DRA court improvement grants.

PART III—CHANGES TO THE PATIENT PROTECTION AND AFFORDABLE CARE ACT AND ADDITIONAL PROVISIONS

SUBPART A—CHANGES TO THE PATIENT PROTECTION AND AFFORDABLE CARE ACT AND ADDITIONAL PROVISIONS

- Sec. 541. Expansion of affordability exception to individual mandate.  
Sec. 542. Replacement of Medicaid primary care payment cliff.  
Sec. 543. Establish a CMS-IRS data match to identify fraudulent providers.  
Sec. 544. Funding for claims reprocessing.

SUBPART B—MEDICAL LIABILITY REFORM

- Sec. 551. Short title.  
Sec. 552. Findings and purpose.  
Sec. 553. Definitions.  
Sec. 554. Encouraging speedy resolution of claims.  
Sec. 555. Compensating patient injury.  
Sec. 556. Maximizing patient recovery.  
Sec. 557. Additional health benefits.  
Sec. 558. Punitive damages.  
Sec. 559. Authorization of payment of future damages to claimants in health care lawsuits.  
Sec. 560. Effect on other laws.  
Sec. 561. State flexibility and protection of states' rights.  
Sec. 562. Applicability; effective date.

TITLE VI—OTHER PROVISIONS

- Sec. 601. Extension of national flood insurance program.  
Sec. 602. Small business loan guarantee enhancement extensions.  
Sec. 603. Summer employment for youth.  
Sec. 604. Expansion of eligibility for concurrent receipt of military retired pay and veterans' disability compensation to include all chapter 61 disability retirees regardless of disability rating percentage or years of service.  
Sec. 605. Extension of use of 2009 poverty guidelines.

- Sec. 606. Refunds disregarded in the administration of Federal programs and federally assisted programs.

- Sec. 607. ARRA planning and reporting.

TITLE VII—BUDGETARY PROVISIONS

- Sec. 701. Determination of budgetary effects.

TITLE I—INFRASTRUCTURE INCENTIVES

SEC. 101. EXEMPT-FACILITY BONDS FOR SEWAGE AND WATER SUPPLY FACILITIES.

(a) BONDS FOR WATER AND SEWAGE FACILITIES EXEMPT FROM VOLUME CAP ON PRIVATE ACTIVITY BONDS.—

(1) IN GENERAL.—Paragraph (3) of section 146(g) is amended by inserting “(4), (5),” after “(2),”.

(2) CONFORMING AMENDMENT.—Paragraphs (2) and (3)(B) of section 146(k) are both amended by striking “(4), (5), (6),” and inserting “(6)”.

(b) TAX-EXEMPT ISSUANCE BY INDIAN TRIBAL GOVERNMENTS.—

(1) IN GENERAL.—Subsection (c) of section 7871 is amended by adding at the end the following new paragraph:

“(4) EXCEPTION FOR BONDS FOR WATER AND SEWAGE FACILITIES.—Paragraph (2) shall not apply to an exempt facility bond 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of which are to be used to provide facilities described in paragraph (4) or (5) of section 142(a).”.

(2) CONFORMING AMENDMENT.—Paragraph (2) of section 7871(c) is amended by striking “paragraph (3)” and inserting “paragraphs (3) and (4)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 102. EXTENSION OF EXEMPTION FROM ALTERNATIVE MINIMUM TAX TREATMENT FOR CERTAIN TAX-EXEMPT BONDS.

(a) IN GENERAL.—Clause (vi) of section 57(a)(5)(C) is amended—

(1) by striking “January 1, 2011” in subclause (I) and inserting “January 1, 2012”; and

(2) by striking “AND 2010” in the heading and inserting “, 2010, AND 2011”.

(b) ADJUSTED CURRENT EARNINGS.—Clause (iv) of section 56(g)(4)(B) is amended—

(1) by striking “January 1, 2011” in subclause (I) and inserting “January 1, 2012”; and

(2) by striking “AND 2010” in the heading and inserting “, 2010, AND 2011”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2010.

SEC. 103. ALLOWANCE OF NEW MARKETS TAX CREDIT AGAINST ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subparagraph (B) of section 38(c)(4), as amended by the Patient Protection and Affordable Care Act, is amended by redesignating clauses (v) through (ix) as clauses (vi) through (x), respectively, and by inserting after clause (iv) the following new clause:

“(v) the credit determined under section 45D, but only with respect to credits determined with respect to qualified equity investments (as defined in section 45D(b)) initially made before January 1, 2012.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to credits determined with respect to qualified equity investments (as defined in section 45D(b) of the Internal Revenue Code of 1986) initially made after March 15, 2010.

SEC. 104. EXTENSION OF TAX-EXEMPT ELIGIBILITY FOR LOANS GUARANTEED BY FEDERAL HOME LOAN BANKS.

Clause (iv) of section 149(b)(3)(A) is amended by striking “December 31, 2010” and inserting “December 31, 2011”.

**SEC. 105. EXTENSION OF TEMPORARY SMALL ISSUER RULES FOR ALLOCATION OF TAX-EXEMPT INTEREST EXPENSE BY FINANCIAL INSTITUTIONS.**

(a) IN GENERAL.—Clauses (i), (ii), and (iii) of section 265(b)(3)(G) are each amended by striking “or 2010” and inserting “, 2010, or 2011”.

(b) CONFORMING AMENDMENT.—Subparagraph (G) of section 265(b)(3) is amended by striking “AND 2010” in the heading and inserting “, 2010, AND 2011”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2010.

**TITLE II—EXTENSION OF EXPIRING PROVISIONS**

**Subtitle A—Energy**

**SEC. 201. ALTERNATIVE MOTOR VEHICLE CREDIT FOR NEW QUALIFIED HYBRID MOTOR VEHICLES OTHER THAN PASSENGER AUTOMOBILES AND LIGHT TRUCKS.**

(a) IN GENERAL.—Paragraph (3) of section 30B(k) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property purchased after December 31, 2009.

**SEC. 202. INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.**

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.—

(1) Paragraph (6) of section 6426(c) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(2) Subparagraph (B) of section 6427(e)(6) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

**SEC. 203. EXTENSION AND MODIFICATION OF CREDIT FOR STEEL INDUSTRY FUEL.**

(a) CREDIT PERIOD.—

(1) IN GENERAL.—Subclause (II) of section 45(e)(8)(D)(i) is amended to read as follows:

“(II) CREDIT PERIOD.—In lieu of the 10-year period referred to in clauses (i) and (ii)(II) of subparagraph (A), the credit period shall be the period beginning on the date that the facility first produces steel industry fuel that is sold to an unrelated person after September 30, 2008, and ending 2 years after such date.”.

(2) CONFORMING AMENDMENT.—Section 45(e)(8)(D) is amended by striking clause (iii) and by redesignating clause (iv) as clause (iii).

(b) EXTENSION OF PLACED-IN-SERVICE DATE.—Subparagraph (A) of section 45(d)(8) is amended—

(1) by striking “(or any modification to a facility)”;

(2) by striking “2010” and inserting “2011”.

(c) CLARIFICATIONS.—

(1) STEEL INDUSTRY FUEL.—Subclause (I) of section 45(c)(7)(C)(i) is amended by inserting “, a blend of coal and petroleum coke, or other coke feedstock” after “on coal”.

(2) OWNERSHIP INTEREST.—Section 45(d)(8) is amended by adding at the end the following new flush sentence:

“With respect to a facility producing steel industry fuel, no person (including a ground lessor, customer, supplier, or technology licensor) shall be treated as having an ownership interest in the facility or as otherwise entitled to the credit allowable under subsection (a) with respect to such facility if such person’s rent, license fee, or other entitlement to net payments from the owner of

such facility is measured by a fixed dollar amount or a fixed amount per ton, or otherwise determined without regard to the profit or loss of such facility.”.

(3) PRODUCTION AND SALE.—Subparagraph (D) of section 45(e)(8), as amended by subsection (a)(2), is amended by redesignating clause (iii) as clause (iv) and by inserting after clause (ii) the following new clause:

“(iii) PRODUCTION AND SALE.—The owner of a facility producing steel industry fuel shall be treated as producing and selling steel industry fuel where that owner manufactures such steel industry fuel from coal, a blend of coal and petroleum coke, or other coke feedstock to which it has title. The sale of such steel industry fuel by the owner of the facility to a person who is not the owner of the facility shall not fail to qualify as a sale to an unrelated person solely because such purchaser may also be a ground lessor, supplier, or customer.”.

(d) SPECIFIED CREDIT FOR PURPOSES OF ALTERNATIVE MINIMUM TAX EXCLUSION.—Subclause (II) of section 38(c)(4)(B)(iii) is amended by inserting “(in the case of a refined coal production facility producing steel industry fuel, during the credit period set forth in section 45(e)(8)(D)(ii)(II))” after “service”.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (d) shall take effect on the date of the enactment of this Act.

(2) CLARIFICATIONS.—The amendments made by subsection (c) shall take effect as if included in the amendments made by the Energy Improvement and Extension Act of 2008.

**SEC. 204. CREDIT FOR PRODUCING FUEL FROM COKE OR COKE GAS.**

(a) IN GENERAL.—Paragraph (1) of section 45(k)(g) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to facilities placed in service after December 31, 2009.

**SEC. 205. NEW ENERGY EFFICIENT HOME CREDIT.**

(a) IN GENERAL.—Subsection (g) of section 45L is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to homes acquired after December 31, 2009.

**SEC. 206. SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.**

(a) IN GENERAL.—Paragraph (3) of section 451(i) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) MODIFICATION OF DEFINITION OF INDEPENDENT TRANSMISSION COMPANY.—

(1) IN GENERAL.—Clause (i) of section 451(i)(4)(B) is amended to read as follows:

“(i) who the Federal Energy Regulatory Commission determines in its authorization of the transaction under section 203 of the Federal Power Act (16 U.S.C. 824b) or by declaratory order—

“(I) is not itself a market participant as determined by the Commission, and also is not controlled by any such market participant, or

“(II) to be independent from market participants or to be an independent transmission company within the meaning of such Commission’s rules applicable to independent transmission providers, and”.

(2) RELATED PERSONS.—Paragraph (4) of section 451(i) is amended by adding at the end the following flush sentence:

“For purposes of subparagraph (B)(i)(I), a person shall be treated as controlled by another person if such persons would be treated as a single employer under section 52.”.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to dispositions after December 31, 2009.

(2) MODIFICATIONS.—The amendments made by subsection (b) shall apply to dispositions after the date of the enactment of this Act.

**SEC. 207. SUSPENSION OF LIMITATION ON PERCENTAGE DEPLETION FOR OIL AND GAS FROM MARGINAL WELLS.**

(a) IN GENERAL.—Clause (ii) of section 613A(c)(6)(H) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

**SEC. 208. DIRECT PAYMENT OF ENERGY EFFICIENT APPLIANCES TAX CREDIT.**

In the case of any taxable year which includes the last day of calendar year 2009 or calendar year 2010, a taxpayer who elects to waive the credit which would otherwise be determined with respect to the taxpayer under section 45M of the Internal Revenue Code of 1986 for such taxable year shall be treated as making a payment against the tax imposed under subtitle A of such Code for such taxable year in an amount equal to 85 percent of the amount of the credit which would otherwise be so determined. Such payment shall be treated as made on the later of the due date of the return of such tax or the date on which such return is filed. Elections under this section may be made separately for 2009 and 2010, but once made shall be irrevocable. No amount shall be includible in gross income or alternative minimum taxable income by reason of this section.

**SEC. 209. MODIFICATION OF STANDARDS FOR WINDOWS, DOORS, AND SKYLIGHTS WITH RESPECT TO THE CREDIT FOR NONBUSINESS ENERGY PROPERTY.**

(a) IN GENERAL.—Paragraph (4) of section 25C(c) is amended by striking “unless” and all that follows and inserting “unless—

“(A) in the case of any component placed in service after the date which is 90 days after the date of the enactment of the American Jobs and Closing Tax Loopholes Act of 2010, such component meets the criteria for such components established by the 2010 Energy Star Program Requirements for Residential Windows, Doors, and Skylights, Version 5.0 (or any subsequent version of such requirements which is in effect after January 4, 2010),

“(B) in the case of any component placed in service after the date of the enactment of the American Jobs and Closing Tax Loopholes Act of 2010 and on or before the date which is 90 days after such date, such component meets the criteria described in subparagraph (A) or is equal to or below a U factor of 0.30 and SHGC of 0.30, and

“(C) in the case of any component which is a garage door, such component is equal to or below a U factor of 0.30 and SHGC of 0.30.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after the date of the enactment of this Act.

**SEC. 210. CREDIT FOR ELECTRICITY PRODUCED AT CERTAIN OPEN-LOOP BIOMASS FACILITIES.**

(a) IN GENERAL.—Clause (ii) of section 45(b)(4)(B) is amended by striking “5-year period” and inserting “6-year period”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to electricity produced and sold after December 31, 2009.

**SEC. 211. EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR ALTERNATIVE FUEL AND ALTERNATIVE FUEL MIXTURES.**

(a) IN GENERAL.—Sections 6426(d)(5), 6426(e)(3), and 6427(e)(6)(C) are each amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

**SEC. 212. CREDIT FOR REFINED COAL FACILITIES.**

(a) IN GENERAL.—Subparagraphs (A) and (B) of section 45(d)(8) are each amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to facilities placed in service after December 31, 2009.

**SEC. 213. CREDIT FOR PRODUCTION OF LOW SULFUR DIESEL FUEL.**

(a) APPLICABLE PERIOD.—Paragraph (4) of section 45H(c) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 339 of the American Jobs Creation Act of 2004.

**Subtitle B—Individual Tax Relief****PART I—MISCELLANEOUS PROVISIONS****SEC. 221. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.**

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking “or 2009” and inserting “2009, or 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

**SEC. 222. ADDITIONAL STANDARD DEDUCTION FOR STATE AND LOCAL REAL PROPERTY TAXES.**

(a) IN GENERAL.—Subparagraph (C) of section 63(c)(1) is amended by striking “or 2009” and inserting “2009, or 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

**SEC. 223. DEDUCTION OF STATE AND LOCAL SALES TAXES.**

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

**SEC. 224. CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.**

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

**SEC. 225. ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.**

(a) IN GENERAL.—Subsection (e) of section 222 is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

**SEC. 226. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.**

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2009.

**SEC. 227. LOOK-THRU OF CERTAIN REGULATED INVESTMENT COMPANY STOCK IN DETERMINING GROSS ESTATE OF NONRESIDENTS.**

(a) IN GENERAL.—Paragraph (3) of section 2105(d) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to estates of decedents dying after December 31, 2009.

**PART II—LOW-INCOME HOUSING CREDITS****SEC. 231. ELECTION FOR DIRECT PAYMENT OF LOW-INCOME HOUSING CREDIT FOR 2010.**

(a) IN GENERAL.—Section 42 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

“(n) ELECTION FOR REFUNDABLE CREDITS.—

“(1) IN GENERAL.—The housing credit agency of each State shall be allowed a credit in an amount equal to such State’s 2010 low-income housing refundable credit election amount, which shall be payable by the Secretary as provided in paragraph (5).

“(2) 2010 LOW-INCOME HOUSING REFUNDABLE CREDIT ELECTION AMOUNT.—For purposes of this subsection, the term ‘2010 low-income housing refundable credit election amount’ means, with respect to any State, such amount as the State may elect which does not exceed 85 percent of the product of—

“(A) the sum of—

“(i) 100 percent of the State housing credit ceiling for 2010 which is attributable to amounts described in clauses (i) and (iii) of subsection (h)(3)(C), plus any increase in the State housing credit ceiling for 2010 made by reason of section 1400N(c) (including as such section is applied by reason of sections 702(d)(2) and 704(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008), and

“(ii) 40 percent of the State housing credit ceiling for 2010 which is attributable to amounts described in clauses (ii) and (iv) of such subsection, plus any increase in the State housing credit ceiling for 2010 made by reason of the application of such section 702(d)(2) and 704(b), multiplied by

“(B) 10.

For purposes of subparagraph (A)(ii), in the case of any area to which section 702(d)(2) or 704(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 applies, section 1400N(c)(1)(A) shall be applied without regard to clause (i).

“(3) COORDINATION WITH NON-REFUNDABLE CREDIT.—For purposes of this section, the amounts described in clauses (i) through (iv) of subsection (h)(3)(C) with respect to any State for 2010 shall each be reduced by so much of such amount as is taken into account in determining the amount of the credit allowed with respect to such State under paragraph (1).

“(4) SPECIAL RULE FOR BASIS.—Basis of a qualified low-income building shall not be reduced by the amount of any payment made under this subsection.

“(5) PAYMENT OF CREDIT; USE TO FINANCE LOW-INCOME BUILDINGS.—The Secretary shall pay to the housing credit agency of each State an amount equal to the credit allowed under paragraph (1). Rules similar to the rules of subsections (c) and (d) of section 1602 of the American Recovery and Reinvestment Tax Act of 2009 shall apply with respect to any payment made under this paragraph, except that such subsection (d) shall be applied by substituting ‘January 1, 2012’ for ‘January 1, 2011’.

(b) CONFORMING AMENDMENT.—Section 1324(b)(2) of title 31, United States Code, is amended by inserting “42(n),” after “36C,”.

**Subtitle C—Business Tax Relief****SEC. 241. RESEARCH CREDIT.**

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2009.

**SEC. 242. INDIAN EMPLOYMENT TAX CREDIT.**

(a) IN GENERAL.—Subsection (f) of section 45A is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

**SEC. 243. NEW MARKETS TAX CREDIT.**

(a) IN GENERAL.—Subparagraph (F) of section 45D(f)(1) is amended by inserting “and 2010” after “2009”.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 45D(f) is amended by striking “2014” and inserting “2015”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after 2009.

**SEC. 244. RAILROAD TRACK MAINTENANCE CREDIT.**

(a) IN GENERAL.—Subsection (f) of section 45G is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2009.

**SEC. 245. MINE RESCUE TEAM TRAINING CREDIT.**

(a) IN GENERAL.—Subsection (e) of section 45N is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) CREDIT ALLOWABLE AGAINST AMT.—Subparagraph (B) of section 38(c)(4), as amended by section 104, is amended—

(1) by redesignating clauses (vii) through (x) as clauses (viii) through (xi), respectively; and

(2) by inserting after clause (vi) the following new clause:

“(vii) the credit determined under section 45N,”.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2009.

(2) ALLOWANCE AGAINST AMT.—The amendments made by subsection (b) shall apply to credits determined for taxable years beginning after December 31, 2009, and to carrybacks of such credits.

**SEC. 246. EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.**

(a) IN GENERAL.—Subsection (f) of section 45P is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2009.

**SEC. 247. 5-YEAR DEPRECIATION FOR FARMING BUSINESS MACHINERY AND EQUIPMENT.**

(a) IN GENERAL.—Clause (vii) of section 168(e)(3)(B) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

**SEC. 248. 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS, QUALIFIED RESTAURANT BUILDINGS AND IMPROVEMENTS, AND QUALIFIED RETAIL IMPROVEMENTS.**

(a) IN GENERAL.—Clauses (iv), (v), and (ix) of section 168(e)(3)(E) are each amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) CONFORMING AMENDMENTS.—

(1) Clause (i) of section 168(e)(7)(A) is amended by striking “if such building is placed in service after December 31, 2008, and before January 1, 2010,”.



(2) Paragraph (8) of section 168(e) is amended by striking subparagraph (E).

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to property placed in service after December 31, 2009.

**SEC. 249. 7-YEAR RECOVERY PERIOD FOR MOTORSPORTS ENTERTAINMENT COMPLEXES.**

(a) **IN GENERAL.**—Subparagraph (D) of section 168(i)(15) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2009.

**SEC. 250. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON AN INDIAN RESERVATION.**

(a) **IN GENERAL.**—Paragraph (8) of section 168(j) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2009.

**SEC. 251. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.**

(a) **IN GENERAL.**—Clause (iv) of section 170(e)(3)(C) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to contributions made after December 31, 2009.

**SEC. 252. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORIES TO PUBLIC SCHOOLS.**

(a) **IN GENERAL.**—Clause (iv) of section 170(e)(3)(D) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to contributions made after December 31, 2009.

**SEC. 253. ENHANCED CHARITABLE DEDUCTION FOR CORPORATE CONTRIBUTIONS OF COMPUTER INVENTORY FOR EDUCATIONAL PURPOSES.**

(a) **IN GENERAL.**—Subparagraph (G) of section 170(e)(6) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

**SEC. 254. ELECTION TO EXPENSE MINE SAFETY EQUIPMENT.**

(a) **IN GENERAL.**—Subsection (g) of section 179E is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2009.

**SEC. 255. SPECIAL EXPENSING RULES FOR CERTAIN FILM AND TELEVISION PRODUCTIONS.**

(a) **IN GENERAL.**—Subsection (f) of section 181 is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to productions commencing after December 31, 2009.

**SEC. 256. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.**

(a) **IN GENERAL.**—Subsection (h) of section 198 is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2009.

**SEC. 257. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.**

(a) **IN GENERAL.**—Subparagraph (C) of section 199(d)(8) is amended—

(1) by striking “first 4 taxable years” and inserting “first 5 taxable years”; and

(2) by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

**SEC. 258. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.**

(a) **IN GENERAL.**—Clause (iv) of section 512(b)(13)(E) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to payments received or accrued after December 31, 2009.

**SEC. 259. EXCLUSION OF GAIN OR LOSS ON SALE OR EXCHANGE OF CERTAIN BROWNFIELD SITES FROM UNRELATED BUSINESS INCOME.**

(a) **IN GENERAL.**—Subparagraph (K) of section 512(b)(19) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property acquired after December 31, 2009.

**SEC. 260. TIMBER REIT MODERNIZATION.**

(a) **IN GENERAL.**—Paragraph (8) of section 856(c) is amended by striking “means” and all that follows and inserting “means December 31, 2010.”.

(b) **CONFORMING AMENDMENTS.**—

(1) Subparagraph (I) of section 856(c)(2) is amended by striking “the first taxable year beginning after the date of the enactment of this subparagraph” and inserting “a taxable year beginning on or before the termination date”.

(2) Clause (iii) of section 856(c)(5)(H) is amended by inserting “in taxable years beginning” after “dispositions”.

(3) Clause (v) of section 857(b)(6)(D) is amended by inserting “in a taxable year beginning” after “sale”.

(4) Subparagraph (G) of section 857(b)(6) is amended by inserting “in a taxable year beginning” after “In the case of a sale”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending after May 22, 2009.

**SEC. 261. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.**

(a) **IN GENERAL.**—Paragraphs (1)(C) and (2)(C) of section 871(k) are each amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

**SEC. 262. RIC QUALIFIED INVESTMENT ENTITY TREATMENT UNDER FIRPTA.**

(a) **IN GENERAL.**—Clause (ii) of section 897(h)(4)(A) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendment made by subsection (a) shall take effect on January 1, 2010. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before the date of the enactment of this Act.

(2) **AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.**—In the case of a regulated investment company—

(A) which makes a distribution after December 31, 2009, and before the date of the enactment of this Act; and

(B) which would (but for the second sentence of paragraph (1)) have been required to withhold with respect to such distribution under section 1445 of such Code,

such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.

**SEC. 263. EXCEPTIONS FOR ACTIVE FINANCING INCOME.**

(a) **IN GENERAL.**—Sections 953(e)(10) and 954(h)(9) are each amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **CONFORMING AMENDMENT.**—Section 953(e)(10) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

**SEC. 264. LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.**

(a) **IN GENERAL.**—Subparagraph (C) of section 954(c)(6) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

**SEC. 265. BASIS ADJUSTMENT TO STOCK OF S CORPS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.**

(a) **IN GENERAL.**—Paragraph (2) of section 1367(a) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

**SEC. 266. EMPOWERMENT ZONE TAX INCENTIVES.**

(a) **IN GENERAL.**—Section 1391 is amended—

(1) by striking “December 31, 2009” in subsection (d)(1)(A)(i) and inserting “December 31, 2010”; and

(2) by striking the last sentence of subsection (h)(2).

(b) **INCREASED EXCLUSION OF GAIN ON STOCK OF EMPOWERMENT ZONE BUSINESSES.**—Subparagraph (C) of section 1202(a)(2) is amended—

(1) by striking “December 31, 2014” and inserting “December 31, 2015”; and

(2) by striking “2014” in the heading and inserting “2015”.

(c) **TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.**—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation unless, after the date of the enactment of this section, the entity which made such nomination reconfirms such termination date, or amends the nomination to provide for a new termination date, in such manner as the Secretary of the Treasury (or the Secretary’s designee) may provide.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to periods after December 31, 2009.

**SEC. 267. RENEWAL COMMUNITY TAX INCENTIVES.**

(a) **IN GENERAL.**—Subsection (b) of section 1400E is amended—

(1) by striking “December 31, 2009” in paragraphs (1)(A) and (3) and inserting “December 31, 2010”; and

(2) by striking “January 1, 2010” in paragraph (3) and inserting “January 1, 2011”.

(b) ZERO-PERCENT CAPITAL GAINS RATE.—

(1) ACQUISITION DATE.—Paragraphs (2)(A)(i), (3)(A), (4)(A)(i), and (4)(B)(i) of section 1400F(b) are each amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(2) LIMITATION ON PERIOD OF GAINS.—Paragraph (2) of section 1400F(c) is amended—

(A) by striking “December 31, 2014” and inserting “December 31, 2015”; and

(B) by striking “2014” in the heading and inserting “2015”.

(3) CLERICAL AMENDMENT.—Subsection (d) of section 1400F is amended by striking “and ‘December 31, 2014’ for ‘December 31, 2014’”.

(c) COMMERCIAL REVITALIZATION DEDUCTION.—

(1) IN GENERAL.—Subsection (g) of section 1400I is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(2) CONFORMING AMENDMENT.—Subparagraph (A) of section 1400I(d)(2) is amended by striking “after 2001 and before 2010” and inserting “which begins after 2001 and before the date referred to in subsection (g)”.

(d) INCREASED EXPENSING UNDER SECTION 179.—Subparagraph (A) of section 1400J(b)(1) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(e) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of a renewal community the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A) of section 1400E(b)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation unless, after the date of the enactment of this section, the entity which made such nomination reconfirms such termination date, or amends the nomination to provide for a new termination date, in such manner as the Secretary of the Treasury (or the Secretary’s designee) may provide.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to periods after December 31, 2009.

(2) ACQUISITIONS.—The amendments made by subsections (b)(1) and (d) shall apply to acquisitions after December 31, 2009.

(3) COMMERCIAL REVITALIZATION DEDUCTION.—

(A) IN GENERAL.—The amendment made by subsection (c)(1) shall apply to buildings placed in service after December 31, 2009.

(B) CONFORMING AMENDMENT.—The amendment made by subsection (c)(2) shall apply to calendar years beginning after December 31, 2009.

#### SEC. 268. TEMPORARY INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAXES TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2009.

#### SEC. 269. PAYMENT TO AMERICAN SAMOA IN LIEU OF EXTENSION OF ECONOMIC DEVELOPMENT CREDIT.

The Secretary of the Treasury (or his designee) shall pay \$18,000,000 to the Government of American Samoa for purposes of economic development. The payment made under the preceding sentence shall be treated for purposes of section 1324 of title 31, United States Code, as a refund of internal revenue collections to which such section applies.

#### SEC. 270. ELECTION TO TEMPORARILY UTILIZE UNUSED AMT CREDITS DETERMINED BY DOMESTIC INVESTMENT.

(a) IN GENERAL.—Section 53 is amended by adding at the end the following new subsection:

“(g) ELECTION FOR CORPORATIONS WITH NEW DOMESTIC INVESTMENTS.—

“(1) IN GENERAL.—If a corporation elects to have this subsection apply for its first taxable year beginning after December 31, 2009, the limitation imposed by subsection (c) for such taxable year shall be increased by the AMT credit adjustment amount.

“(2) AMT CREDIT ADJUSTMENT AMOUNT.—For purposes of paragraph (1), the term ‘AMT credit adjustment amount’ means, the lesser of—

“(A) 50 percent of a corporation’s minimum tax credit for its first taxable year beginning after December 31, 2009, determined under subsection (b), or

“(B) 10 percent of new domestic investments made during such taxable year.

“(3) NEW DOMESTIC INVESTMENTS.—For purposes of this subsection, the term ‘new domestic investments’ means the cost of qualified property (as defined in section 168(k)(2)(A)(i))—

“(A) the original use of which commences with the taxpayer during the taxable year, and

“(B) which is placed in service in the United States by the taxpayer during such taxable year.

“(4) CREDIT REFUNDABLE.—For purposes of subsection (b) of section 6401, the aggregate increase in the credits allowable under this part for any taxable year resulting from the application of this subsection shall be treated as allowed under subpart C (and not under any other subpart). For purposes of section 6425, any amount treated as so allowed shall be treated as a payment of estimated income tax for the taxable year.

“(5) ELECTION.—An election under this subsection shall be made at such time and in such manner as prescribed by the Secretary, and once made, may be revoked only with the consent of the Secretary. Not later than 90 days after the date of the enactment of this subsection, the Secretary shall issue guidance specifying such time and manner.

“(6) TREATMENT OF CERTAIN PARTNERSHIP INVESTMENTS.—For purposes of this subsection, a corporation shall take into account its allocable share of any new domestic investments by a partnership for any taxable year if, and only if, more than 90 percent of the capital and profits interests in such partnership are owned by such corporation (directly or indirectly) at all times during such taxable year.

“(7) NO DOUBLE BENEFIT.—

“(A) IN GENERAL.—A corporation making an election under this subsection may not make an election under subparagraph (H) of section 172(b)(1).

“(B) SPECIAL RULES WITH RESPECT TO TAXPAYERS PREVIOUSLY ELECTING APPLICABLE NET OPERATING LOSSES.—In the case of a corporation which made an election under subparagraph (H) of section 172(b)(1) and elects the application of this subsection—

“(i) ELECTION OF APPLICABLE NET OPERATING LOSS TREATED AS REVOKED.—The election under such subparagraph (H) shall (notwithstanding clause (iii)(II) of such subparagraph) be treated as having been revoked by the taxpayer.

“(ii) COORDINATION WITH PROVISION FOR EXPEDITED REFUND.—The amount otherwise treated as a payment of estimated income tax under the last sentence of paragraph (4) shall be reduced (but not below zero) by the aggregate increase in unpaid tax liability determined under this chapter by reason of the revocation of the election under clause (i).

“(iii) APPLICATION OF STATUTE OF LIMITATIONS.—With respect to the revocation of an election under clause (i)—

“(I) the statutory period for the assessment of any deficiency attributable to such revocation shall not expire before the end of the 3-year period beginning on the date of the election to have this subsection apply, and

“(II) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.

“(C) EXCEPTION FOR ELIGIBLE SMALL BUSINESSES.—Subparagraphs (A) and (B) shall not apply to an eligible small business as defined in section 172(b)(1)(H)(v)(II).

“(8) REGULATIONS.—The Secretary may issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this subsection, including to prevent fraud and abuse under this subsection.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 6211(b)(4)(A) is amended by inserting “53(g),” after “53(e).”.

(2) Section 1324(b)(2) of title 31, United States Code, is amended by inserting “53(g),” after “53(e).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

#### SEC. 271. REDUCTION IN CORPORATE RATE FOR QUALIFIED TIMBER GAIN.

(a) IN GENERAL.—Paragraph (1) of section 1201(b) is amended by striking “ending” and all that follows through “such date”.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 1201(b) is amended to read as follows:

“(3) APPLICATION OF SUBSECTION.—The qualified timber gain for any taxable year shall not exceed the qualified timber gain which would be determined by not taking into account any portion of such taxable year after December 31, 2010.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after May 22, 2009.

#### SEC. 272. STUDY OF EXTENDED TAX EXPENDITURES.

(a) FINDINGS.—Congress finds the following:

(1) Currently, the aggregate cost of Federal tax expenditures rivals, or even exceeds, the amount of total Federal discretionary spending.

(2) Given the escalating public debt, a critical examination of this use of taxpayer dollars is essential.

(3) Additionally, tax expenditures can complicate the Internal Revenue Code of 1986 for taxpayers and complicate tax administration for the Internal Revenue Service.

(4) To facilitate a better understanding of tax expenditures in the future, it is constructive for legislation extending these provisions to include a study of such provisions.

(b) REQUIREMENT TO REPORT.—Not later than November 30, 2010, the Chief of Staff of the Joint Committee on Taxation, in consultation with the Comptroller General of the United States, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on each tax expenditure (as defined in section 3(3) of the Congressional Budget Impoundment Control Act of 1974 (2 U.S.C. 622(3)) extended by this title.

(c) ROLLING SUBMISSION OF REPORTS.—The Chief of Staff of the Joint Committee on Taxation shall initially submit the reports for each such tax expenditure enacted in this subtitle (relating to business tax relief) and subtitle A (relating to energy) in order of the

tax expenditure incurring the least aggregate cost to the greatest aggregate cost (determined by reference to the cost estimate of this Act by the Joint Committee on Taxation). Thereafter, such reports may be submitted in such order as the Chief of Staff determines appropriate.

(d) **CONTENTS OF REPORT.**—Such reports shall contain the following:

(1) An explanation of the tax expenditure and any relevant economic, social, or other context under which it was first enacted.

(2) A description of the intended purpose of the tax expenditure.

(3) An analysis of the overall success of the tax expenditure in achieving such purpose, and evidence supporting such analysis.

(4) An analysis of the extent to which further extending the tax expenditure, or making it permanent, would contribute to achieving such purpose.

(5) A description of the direct and indirect beneficiaries of the tax expenditure, including identifying any unintended beneficiaries.

(6) An analysis of whether the tax expenditure is the most cost-effective method for achieving the purpose for which it was intended, and a description of any more cost-effective methods through which such purpose could be accomplished.

(7) A description of any unintended effects of the tax expenditure that are useful in understanding the tax expenditure's overall value.

(8) An analysis of how the tax expenditure could be modified to better achieve its original purpose.

(9) A brief description of any interactions (actual or potential) with other tax expenditures or direct spending programs in the same or related budget function worthy of further study.

(10) A description of any unavailable information the staff of the Joint Committee on Taxation may need to complete a more thorough examination and analysis of the tax expenditure, and what must be done to make such information available.

(e) **MINIMUM ANALYSIS BY DEADLINE.**—In the event the Chief of Staff of the Joint Committee on Taxation concludes it will not be feasible to complete all reports by the date specified in subsection (a), at a minimum, the reports for each tax expenditure enacted in this subtitle (relating to business tax relief) and subtitle A (relating to energy) shall be completed by such date.

#### **Subtitle D—Temporary Disaster Relief Provisions**

#### **PART I—NATIONAL DISASTER RELIEF**

#### **SEC. 281. WAIVER OF CERTAIN MORTGAGE REVENUE BOND REQUIREMENTS.**

(a) **IN GENERAL.**—Paragraph (11) of section 143(k) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **SPECIAL RULE FOR RESIDENCES DESTROYED IN FEDERALLY DECLARED DISASTERS.**—Paragraph (13) of section 143(k), as redesignated by subsection (c), is amended by striking “January 1, 2010” in subparagraphs (A)(i) and (B)(i) and inserting “January 1, 2011”.

(c) **TECHNICAL AMENDMENT.**—Subsection (k) of section 143 is amended by redesignating the second paragraph (12) (relating to special rules for residences destroyed in federally declared disasters) as paragraph (13).

(d) **EFFECTIVE DATES.**—

(1) **IN GENERAL.**—Except as otherwise provided in this subsection, the amendment made by this section shall apply to bonds issued after December 31, 2009.

(2) **RESIDENCES DESTROYED IN FEDERALLY DECLARED DISASTERS.**—The amendments made by subsection (b) shall apply with respect to disasters occurring after December 31, 2009.

(3) **TECHNICAL AMENDMENT.**—The amendment made by subsection (c) shall take effect as if included in section 709 of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008.

#### **SEC. 282. LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.**

(a) **IN GENERAL.**—Subclause (I) of section 165(h)(3)(B)(i) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **\$500 LIMITATION.**—Paragraph (1) of section 165(h) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendment made by subsection (a) shall apply to federally declared disasters occurring after December 31, 2009.

(2) **\$500 LIMITATION.**—The amendment made by subsection (b) shall apply to taxable years beginning after December 31, 2009.

#### **SEC. 283. SPECIAL DEPRECIATION ALLOWANCE FOR QUALIFIED DISASTER PROPERTY.**

(a) **IN GENERAL.**—Subclause (I) of section 168(n)(2)(A)(ii) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to disasters occurring after December 31, 2009.

#### **SEC. 284. NET OPERATING LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.**

(a) **IN GENERAL.**—Subclause (I) of section 172(j)(1)(A)(i) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to losses attributable to disasters occurring after December 31, 2009.

#### **SEC. 285. EXPENSING OF QUALIFIED DISASTER EXPENSES.**

(a) **IN GENERAL.**—Subparagraph (A) of section 198A(b)(2) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to expenditures on account of disasters occurring after December 31, 2009.

#### **SEC. 286. SPECIAL DEPRECIATION ALLOWANCE.**

(a) **IN GENERAL.**—Paragraph (6) of section 1400N(d)(6) is amended by striking subparagraph (D).

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2009.

#### **PART II—REGIONAL PROVISIONS**

##### **Subpart A—New York Liberty Zone**

#### **SEC. 291. SPECIAL DEPRECIATION ALLOWANCE FOR NONRESIDENTIAL AND RESIDENTIAL REAL PROPERTY.**

(a) **IN GENERAL.**—Subparagraph (A) of section 1400L(b)(2) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2009.

#### **SEC. 292. TAX-EXEMPT BOND FINANCING.**

(a) **IN GENERAL.**—Subparagraph (D) of section 1400L(d)(2) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to bonds issued after December 31, 2009.

##### **Subpart B—GO Zone**

#### **SEC. 295. INCREASE IN REHABILITATION CREDIT.**

(a) **IN GENERAL.**—Subsection (h) of section 1400N is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to amounts paid or incurred after December 31, 2009.

#### **SEC. 296. WORK OPPORTUNITY TAX CREDIT WITH RESPECT TO CERTAIN INDIVIDUALS AFFECTED BY HURRICANE KATRINA FOR EMPLOYERS INSIDE DISASTER AREAS.**

(a) **IN GENERAL.**—Paragraph (1) of section 201(b) of the Katrina Emergency Tax Relief Act of 2005 is amended by striking “4-year” and inserting “5-year”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to individuals hired after August 27, 2009.

#### **SEC. 297. EXTENSION OF LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN GO ZONES.**

Section 1400N(c)(5) is amended by striking “January 1, 2011” and inserting “January 1, 2013”.

#### **SEC. 298. TAX-EXEMPT BOND FINANCING.**

(a) **IN GENERAL.**—Paragraphs (2)(D) and (7)(C) of section 1400N(a) are each amended by striking “January 1, 2011” and inserting “January 1, 2012”.

(b) **CONFORMING AMENDMENTS.**—Sections 702(d)(1) and 704(a) of the Heartland Disaster Tax Relief Act of 2008 (Public Law 110-343; 122 Stat. 3913, 3919) are each amended by striking “January 1, 2011” each place it appears and inserting “January 1, 2012”.

##### **Subpart C—Midwester Disaster Areas**

#### **SEC. 299. SPECIAL RULES FOR USE OF RETIREMENT FUNDS.**

(a) **IN GENERAL.**—Section 702(d)(10) of the Heartland Disaster Tax Relief Act of 2008 (Public Law 110-343; 122 Stat. 3918) is amended—

(1) by striking “January 1, 2010” both places it appears and inserting “January 1, 2011”, and

(2) by striking “December 31, 2009” both places it appears and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall take effect as if included in section 702(d)(10) of the Heartland Disaster Tax Relief Act of 2008.

#### **SEC. 300. EXCLUSION OF CANCELLATION OF MORTGAGE INDEBTEDNESS.**

(a) **IN GENERAL.**—Section 702(e)(4)(C) of the Heartland Disaster Tax Relief Act of 2008 (Public Law 110-343; 122 Stat. 3918) is amended by striking “January 1, 2010” and inserting “January 1, 2011”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to discharges of indebtedness after December 31, 2009.

#### **TITLE III—PENSION PROVISIONS**

##### **Subtitle A—Single Employer Plans**

#### **SEC. 301. EXTENDED PERIOD FOR SINGLE-EMPLOYER DEFINED BENEFIT PLANS TO AMORTIZE CERTAIN SHORTFALL AMORTIZATION BASES.**

(a) **AMENDMENTS TO ERISA.**—

(1) **IN GENERAL.**—Paragraph (2) of section 303(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(c)) is amended by adding at the end the following subparagraph:

“(D) SPECIAL ELECTION FOR ELIGIBLE PLAN YEARS.—

“(i) **IN GENERAL.**—If a plan sponsor elects to apply this subparagraph with respect to the shortfall amortization base of a plan for any eligible plan year (in this subparagraph and paragraph (7) referred to as an ‘election year’), then, notwithstanding subparagraphs (A) and (B)—

“(I) the shortfall amortization installments with respect to such base shall be determined under clause (ii) or (iii), whichever is specified in the election, and

“(II) the shortfall amortization installment for any plan year in the 9-plan-year period described in clause (ii) or the 15-plan-

year period described in clause (iii), respectively, with respect to such shortfall amortization base is the annual installment determined under the applicable clause for that year for that base.

“(ii) 2 PLUS 7 AMORTIZATION SCHEDULE.—The shortfall amortization installments determined under this clause are—

“(I) in the case of the first 2 plan years in the 9-plan-year period beginning with the election year, interest on the shortfall amortization base of the plan for the election year (determined using the effective interest rate for the plan for the election year), and

“(II) in the case of the last 7 plan years in such 9-plan-year period, the amounts necessary to amortize the remaining balance of the shortfall amortization base of the plan for the election year in level annual installments over such last 7 plan years (using the segment rates under subparagraph (C) for the election year).

“(iii) 15-YEAR AMORTIZATION.—The shortfall amortization installments determined under this subparagraph are the amounts necessary to amortize the shortfall amortization base of the plan for the election year in level annual installments over the 15-plan-year period beginning with the election year (using the segment rates under subparagraph (C) for the election year).

“(iv) ELECTION.—

“(I) IN GENERAL.—The plan sponsor of a plan may elect to have this subparagraph apply to not more than 2 eligible plan years with respect to the plan, except that in the case of a plan described in section 106 of the Pension Protection Act of 2006, the plan sponsor may only elect to have this subparagraph apply to a plan year beginning in 2011.

“(II) AMORTIZATION SCHEDULE.—Such election shall specify whether the amortization schedule under clause (ii) or (iii) shall apply to an election year, except that if a plan sponsor elects to have this subparagraph apply to 2 eligible plan years, the plan sponsor must elect the same schedule for both years.

“(III) OTHER RULES.—Such election shall be made at such time, and in such form and manner, as shall be prescribed by the Secretary of the Treasury, and may be revoked only with the consent of the Secretary of the Treasury. The Secretary of the Treasury shall, before granting a revocation request, provide the Pension Benefit Guaranty Corporation an opportunity to comment on the conditions applicable to the treatment of any portion of the election year shortfall amortization base that remains unamortized as of the revocation date.

“(v) ELIGIBLE PLAN YEAR.—For purposes of this subparagraph, the term ‘eligible plan year’ means any plan year beginning in 2008, 2009, 2010, or 2011, except that a plan year shall only be treated as an eligible plan year if the due date under subsection (j)(1) for the payment of the minimum required contribution for such plan year occurs on or after the date of the enactment of this subparagraph.

“(vi) REPORTING.—A plan sponsor of a plan who makes an election under clause (i) shall—

“(I) give notice of the election to participants and beneficiaries of the plan, and

“(II) inform the Pension Benefit Guaranty Corporation of such election in such form and manner as the Director of the Pension Benefit Guaranty Corporation may prescribe.

“(vii) INCREASES IN REQUIRED INSTALLMENTS IN CERTAIN CASES.—For increases in required contributions in cases of excess compensation or extraordinary dividends or stock redemptions, see paragraph (7).”.

(2) INCREASES IN REQUIRED INSTALLMENTS IN CERTAIN CASES.—Section 303(c) of the Employee Retirement Income Security Act of

1974 (29 U.S.C. 1083(c)) is amended by adding at the end the following paragraph:

“(7) INCREASES IN ALTERNATE REQUIRED INSTALLMENTS IN CASES OF EXCESS COMPENSATION OR EXTRAORDINARY DIVIDENDS OR STOCK REDEMPTIONS.—

“(A) IN GENERAL.—If there is an installment acceleration amount with respect to a plan for any plan year in the restriction period with respect to an election year under paragraph (2)(D), then the shortfall amortization installment otherwise determined and payable under such paragraph for such plan year shall, subject to the limitation under subparagraph (B), be increased by such amount.

“(B) TOTAL INSTALLMENTS LIMITED TO SHORTFALL BASE.—Subject to rules prescribed by the Secretary of the Treasury, if a shortfall amortization installment with respect to any shortfall amortization base for an election year is required to be increased for any plan year under subparagraph (A)—

“(i) such increase shall not result in the amount of such installment exceeding the present value of such installment and all succeeding installments with respect to such base (determined without regard to such increase but after application of clause (ii)), and

“(ii) subsequent shortfall amortization installments with respect to such base shall, in reverse order of the otherwise required installments, be reduced to the extent necessary to limit the present value of such subsequent shortfall amortization installments (after application of this paragraph) to the present value of the remaining unamortized shortfall amortization base.

“(C) INSTALLMENT ACCELERATION AMOUNT.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘installment acceleration amount’ means, with respect to any plan year in a restriction period with respect to an election year, the sum of—

“(I) the aggregate amount of excess employee compensation determined under subparagraph (D) with respect to all employees for the plan year, plus

“(II) the aggregate amount of extraordinary dividends and redemptions determined under subparagraph (E) for the plan year.

“(ii) ANNUAL LIMITATION.—The installment acceleration amount for any plan year shall not exceed the excess (if any) of—

“(I) the sum of the shortfall amortization installments for the plan year and all preceding plan years in the amortization period elected under paragraph (2)(D) with respect to the shortfall amortization base with respect to an election year, determined without regard to paragraph (2)(D) and this paragraph, over

“(II) the sum of the shortfall amortization installments for such plan year and all such preceding plan years, determined after application of paragraph (2)(D) (and in the case of any preceding plan year, after application of this paragraph).

“(iii) CARRYOVER OF EXCESS INSTALLMENT ACCELERATION AMOUNTS.—

“(I) IN GENERAL.—If the installment acceleration amount for any plan year (determined without regard to clause (ii)) exceeds the limitation under clause (ii), then, subject to subclause (II), such excess shall be treated as an installment acceleration amount with respect to the succeeding plan year.

“(II) CAP TO APPLY.—If any amount treated as an installment acceleration amount under subclause (I) or this subclause with respect any succeeding plan year, when added to other installment acceleration amounts (determined without regard to clause (ii)) with respect to the plan year, exceeds the limitation under clause (ii), the portion of such amount representing such excess shall be

treated as an installment acceleration amount with respect to the next succeeding plan year.

“(III) LIMITATION ON YEARS TO WHICH AMOUNTS CARRIED FOR.—No amount shall be carried under subclause (I) or (II) to a plan year which begins after the first plan year following the last plan year in the restriction period (or after the second plan year following such last plan year in the case of an election year with respect to which 15-year amortization was elected under paragraph (2)(D)).

“(IV) ORDERING RULES.—For purposes of applying subclause (II), installment acceleration amounts for the plan year (determined without regard to any carryover under this clause) shall be applied first against the limitation under clause (ii) and then carryovers to such plan year shall be applied against such limitation on a first-in, first-out basis.

“(D) EXCESS EMPLOYEE COMPENSATION.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘excess employee compensation’ means, with respect to any employee for any plan year, the excess (if any) of—

“(I) the aggregate amount includible in income under chapter 1 of the Internal Revenue Code of 1986 for remuneration during the calendar year in which such plan year begins for services performed by the employee for the plan sponsor (whether or not performed during such calendar year), over

“(II) \$1,000,000.

“(ii) AMOUNTS SET ASIDE FOR NONQUALIFIED DEFERRED COMPENSATION.—If during any calendar year assets are set aside or reserved (directly or indirectly) in a trust (or other arrangement as determined by the Secretary of the Treasury), or transferred to such a trust or other arrangement, by a plan sponsor for purposes of paying deferred compensation of an employee under a non-qualified deferred compensation plan (as defined in section 409A of such Code) of the plan sponsor, then, for purposes of clause (i), the amount of such assets shall be treated as remuneration of the employee includible in income for the calendar year unless such amount is otherwise includible in income for such year. An amount to which the preceding sentence applies shall not be taken into account under this paragraph for any subsequent calendar year.

“(iii) ONLY REMUNERATION FOR CERTAIN POST-2009 SERVICES COUNTED.—Remuneration shall be taken into account under clause (i) only to the extent attributable to services performed by the employee for the plan sponsor after February 28, 2010.

“(iv) EXCEPTION FOR CERTAIN EQUITY PAYMENTS.—

“(I) IN GENERAL.—There shall not be taken into account under clause (i)(I) any amount includible in income with respect to the granting after February 28, 2010, of service recipient stock (within the meaning of section 409A of the Internal Revenue Code of 1986) that, upon such grant, is subject to a substantial risk of forfeiture (as defined under section 83(c)(1) of such Code) for at least 5 years from the date of such grant.

“(II) SECRETARIAL AUTHORITY.—The Secretary of the Treasury may by regulation provide for the application of this clause in the case of a person other than a corporation.

“(v) OTHER EXCEPTIONS.—The following amounts includible in income shall not be taken into account under clause (i)(I):

“(I) COMMISSIONS.—Any remuneration payable on a commission basis solely on account of income directly generated by the individual performance of the individual to whom such remuneration is payable.

“(II) CERTAIN PAYMENTS UNDER EXISTING CONTRACTS.—Any remuneration consisting of

nonqualified deferred compensation, restricted stock, stock options, or stock appreciation rights payable or granted under a written binding contract that was in effect on March 1, 2010, and which was not modified in any material respect before such remuneration is paid.

“(vi) SELF-EMPLOYED INDIVIDUAL TREATED AS EMPLOYEE.—The term ‘employee’ includes, with respect to a calendar year, a self-employed individual who is treated as an employee under section 401(c) of such Code for the taxable year ending during such calendar year, and the term ‘compensation’ shall include earned income of such individual with respect to such self-employment.

“(vii) INDEXING OF AMOUNT.—In the case of any calendar year beginning after 2010, the dollar amount under clause (i)(II) shall be increased by an amount equal to—

“(I) such dollar amount, multiplied by

“(II) the cost-of-living adjustment determined under section 1(f)(3) of such Code for the calendar year, determined by substituting ‘calendar year 2009’ for ‘calendar year 1992’ in subparagraph (B) thereof.

If the amount of any increase under clause (i) is not a multiple of \$1,000, such increase shall be rounded to the next lowest multiple of \$1,000.

“(E) EXTRAORDINARY DIVIDENDS AND REDEMPTIONS.—

“(i) IN GENERAL.—The amount determined under this subparagraph for any plan year is the excess (if any) of the sum of the dividends declared during the plan year by the plan sponsor plus the aggregate amount paid for the redemption of stock of the plan sponsor redeemed during the plan year over the greater of—

“(I) the adjusted net income (within the meaning of section 4043) of the plan sponsor for the preceding plan year, determined without regard to any reduction by reason of interest, taxes, depreciation, or amortization, or

“(II) in the case of a plan sponsor that determined and declared dividends in the same manner for at least 5 consecutive years immediately preceding such plan year, the aggregate amount of dividends determined and declared for such plan year using such manner.

“(ii) ONLY CERTAIN POST-2009 DIVIDENDS AND REDEMPTIONS COUNTED.—For purposes of clause (i), there shall only be taken into account dividends declared, and redemptions occurring, after February 28, 2010.

“(iii) EXCEPTION FOR INTRA-GROUP DIVIDENDS.—Dividends paid by one member of a controlled group (as defined in section 302(d)(3)) to another member of such group shall not be taken into account under clause (i).

“(iv) EXCEPTION FOR CERTAIN REDEMPTIONS.—Redemptions that are made pursuant to a plan maintained with respect to employees, or that are made on account of the death, disability, or termination of employment of an employee or shareholder, shall not be taken into account under clause (i).

“(v) EXCEPTION FOR CERTAIN PREFERRED STOCK.—

“(I) IN GENERAL.—Dividends and redemptions with respect to applicable preferred stock shall not be taken into account under clause (i) to the extent that dividends accrue with respect to such stock at a specified rate in all events and without regard to the plan sponsor’s income, and interest accrues on any unpaid dividends with respect to such stock.

“(II) APPLICABLE PREFERRED STOCK.—For purposes of subclause (I), the term ‘applicable preferred stock’ means preferred stock which was issued before March 1, 2010 (or which was issued after such date and is held

by an employee benefit plan subject to the provisions of this title).

“(F) OTHER DEFINITIONS AND RULES.—For purposes of this paragraph—

“(i) PLAN SPONSOR.—The term ‘plan sponsor’ includes any member of the plan sponsor’s controlled group (as defined in section 302(d)(3)).

“(ii) RESTRICTION PERIOD.—The term ‘restriction period’ means, with respect to any election year—

“(I) except as provided in subclause (II), the 3-year period beginning with the election year (or, if later, the first plan year beginning after December 31, 2009), and

“(II) if the plan sponsor elects 15-year amortization for the shortfall amortization base for the election year, the 5-year period beginning with the election year (or, if later, the first plan year beginning after December 31, 2009).

“(iii) ELECTIONS FOR MULTIPLE PLANS.—If a plan sponsor makes elections under paragraph (2)(D) with respect to 2 or more plans, the Secretary of the Treasury shall provide rules for the application of this paragraph to such plans, including rules for the ratable allocation of any installment acceleration amount among such plans on the basis of each plan’s relative reduction in the plan’s shortfall amortization installment for the first plan year in the amortization period described in subparagraph (A) (determined without regard to this paragraph).

“(iv) MERGERS AND ACQUISITIONS.—The Secretary of the Treasury shall prescribe rules for the application of paragraph (2)(D) and this paragraph in any case where there is a merger or acquisition involving a plan sponsor making the election under paragraph (2)(D).”.

(3) CONFORMING AMENDMENTS.—Section 303 of such Act (29 U.S.C. 1083) is amended—

(A) in subsection (c)(1), by striking “the shortfall amortization bases for such plan year and each of the 6 preceding plan years” and inserting “any shortfall amortization base which has not been fully amortized under this subsection”, and

(B) in subsection (j)(3), by adding at the end the following:

“(F) QUARTERLY CONTRIBUTIONS NOT TO INCLUDE CERTAIN INCREASED CONTRIBUTIONS.—Subparagraph (D) shall be applied without regard to any increase under subsection (c)(7).”.

(b) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—Paragraph (2) of section 430(c) is amended by adding at the end the following subparagraph:

“(D) SPECIAL ELECTION FOR ELIGIBLE PLAN YEARS.—

“(i) IN GENERAL.—If a plan sponsor elects to apply this subparagraph with respect to the shortfall amortization base of a plan for any eligible plan year (in this subparagraph and paragraph (7) referred to as an ‘election year’), then, notwithstanding subparagraphs (A) and (B)—

“(I) the shortfall amortization installments with respect to such base shall be determined under clause (ii) or (iii), whichever is specified in the election, and

“(II) the shortfall amortization installment for any plan year in the 9-plan-year period described in clause (ii) or the 15-plan-year period described in clause (iii), respectively, with respect to such shortfall amortization base is the annual installment determined under the applicable clause for that year for that base.

“(ii) 2 PLUS 7 AMORTIZATION SCHEDULE.—The shortfall amortization installments determined under this clause are—

“(I) in the case of the first 2 plan years in the 9-plan-year period beginning with the election year, interest on the shortfall amor-

tization base of the plan for the election year (determined using the effective interest rate for the plan for the election year), and

“(II) in the case of the last 7 plan years in such 9-plan-year period, the amounts necessary to amortize the remaining balance of the shortfall amortization base of the plan for the election year in level annual installments over such last 7 plan years (using the segment rates under subparagraph (C) for the election year).

“(iii) 15-YEAR AMORTIZATION.—The shortfall amortization installments determined under this subparagraph are the amounts necessary to amortize the shortfall amortization base of the plan for the election year in level annual installments over the 15-plan-year period beginning with the election year (using the segment rates under subparagraph (C) for the election year).

“(iv) ELECTION.—

“(I) IN GENERAL.—The plan sponsor of a plan may elect to have this subparagraph apply to not more than 2 eligible plan years with respect to the plan, except that in the case of a plan described in section 106 of the Pension Protection Act of 2006, the plan sponsor may only elect to have this subparagraph apply to a plan year beginning in 2011.

“(II) AMORTIZATION SCHEDULE.—Such election shall specify whether the amortization schedule under clause (ii) or (iii) shall apply to an election year, except that if a plan sponsor elects to have this subparagraph apply to 2 eligible plan years, the plan sponsor must elect the same schedule for both years.

“(III) OTHER RULES.—Such election shall be made at such time, and in such form and manner, as shall be prescribed by the Secretary, and may be revoked only with the consent of the Secretary. The Secretary shall, before granting a revocation request, provide the Pension Benefit Guaranty Corporation an opportunity to comment on the conditions applicable to the treatment of any portion of the election year shortfall amortization base that remains unamortized as of the revocation date.

“(v) ELIGIBLE PLAN YEAR.—For purposes of this subparagraph, the term ‘eligible plan year’ means any plan year beginning in 2008, 2009, 2010, or 2011, except that a plan year shall only be treated as an eligible plan year if the due date under subsection (j)(1) for the payment of the minimum required contribution for such plan year occurs on or after the date of the enactment of this subparagraph.

“(vi) REPORTING.—A plan sponsor of a plan who makes an election under clause (i) shall—

“(I) give notice of the election to participants and beneficiaries of the plan, and

“(II) inform the Pension Benefit Guaranty Corporation of such election in such form and manner as the Director of the Pension Benefit Guaranty Corporation may prescribe.

“(vii) INCREASES IN REQUIRED INSTALLMENTS IN CERTAIN CASES.—For increases in required contributions in cases of excess compensation or extraordinary dividends or stock redemptions, see paragraph (7).”.

(2) INCREASES IN REQUIRED CONTRIBUTIONS IF EXCESS COMPENSATION PAID.—Section 430(c) is amended by adding at the end the following paragraph:

“(7) INCREASES IN ALTERNATE REQUIRED INSTALLMENTS IN CASES OF EXCESS COMPENSATION OR EXTRAORDINARY DIVIDENDS OR STOCK REDEMPTIONS.—

“(A) IN GENERAL.—If there is an installment acceleration amount with respect to a plan for any plan year in the restriction period with respect to an election year under paragraph (2)(D), then the shortfall amortization installment otherwise determined and payable under such paragraph for such plan

year shall, subject to the limitation under subparagraph (B), be increased by such amount.

“(B) TOTAL INSTALLMENTS LIMITED TO SHORTFALL BASE.—Subject to rules prescribed by the Secretary, if a shortfall amortization installment with respect to any shortfall amortization base for an election year is required to be increased for any plan year under subparagraph (A)—

“(i) such increase shall not result in the amount of such installment exceeding the present value of such installment and all succeeding installments with respect to such base (determined without regard to such increase but after application of clause (ii)), and

“(ii) subsequent shortfall amortization installments with respect to such base shall, in reverse order of the otherwise required installments, be reduced to the extent necessary to limit the present value of such subsequent shortfall amortization installments (after application of this paragraph) to the present value of the remaining unamortized shortfall amortization base.

“(C) INSTALLMENT ACCELERATION AMOUNT.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘installment acceleration amount’ means, with respect to any plan year in a restriction period with respect to an election year, the sum of—

“(I) the aggregate amount of excess employee compensation determined under subparagraph (D) with respect to all employees for the plan year, plus

“(II) the aggregate amount of extraordinary dividends and redemptions determined under subparagraph (E) for the plan year.

“(i) ANNUAL LIMITATION.—The installment acceleration amount for any plan year shall not exceed the excess (if any) of—

“(I) the sum of the shortfall amortization installments for the plan year and all preceding plan years in the amortization period elected under paragraph (2)(D) with respect to the shortfall amortization base with respect to an election year, determined without regard to paragraph (2)(D) and this paragraph, over

“(II) the sum of the shortfall amortization installments for such plan year and all such preceding plan years, determined after application of paragraph (2)(D) (and in the case of any preceding plan year, after application of this paragraph).

“(iii) CARRYOVER OF EXCESS INSTALLMENT ACCELERATION AMOUNTS.—

“(I) IN GENERAL.—If the installment acceleration amount for any plan year (determined without regard to clause (ii)) exceeds the limitation under clause (ii), then, subject to subclause (II), such excess shall be treated as an installment acceleration amount with respect to the succeeding plan year.

“(II) CAP TO APPLY.—If any amount treated as an installment acceleration amount under subclause (I) or this subclause with respect to any succeeding plan year, when added to other installment acceleration amounts (determined without regard to clause (ii)) with respect to the plan year, exceeds the limitation under clause (ii), the portion of such amount representing such excess shall be treated as an installment acceleration amount with respect to the next succeeding plan year.

“(III) LIMITATION ON YEARS TO WHICH AMOUNTS CARRIED FOR.—No amount shall be carried under subclause (I) or (II) to a plan year which begins after the first plan year following the last plan year in the restriction period (or after the second plan year following such last plan year in the case of an election year with respect to which 15-year amortization was elected under paragraph (2)(D)).

“(IV) ORDERING RULES.—For purposes of applying subclause (II), installment acceleration amounts for the plan year (determined without regard to any carryover under this clause) shall be applied first against the limitation under clause (ii) and then carryovers to such plan year shall be applied against such limitation on a first-in, first-out basis.

“(D) EXCESS EMPLOYEE COMPENSATION.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘excess employee compensation’ means, with respect to any employee for any plan year, the excess (if any) of—

“(I) the aggregate amount includible in income under this chapter for remuneration during the calendar year in which such plan year begins for services performed by the employee for the plan sponsor (whether or not performed during such calendar year), over

“(II) \$1,000,000.

“(ii) AMOUNTS SET ASIDE FOR NONQUALIFIED DEFERRED COMPENSATION.—If during any calendar year assets are set aside or reserved (directly or indirectly) in a trust (or other arrangement as determined by the Secretary), or transferred to such a trust or other arrangement, by a plan sponsor for purposes of paying deferred compensation of an employee under a nonqualified deferred compensation plan (as defined in section 409A) of the plan sponsor, then, for purposes of clause (i), the amount of such assets shall be treated as remuneration of the employee includible in income for the calendar year unless such amount is otherwise includible in income for such year. An amount to which the preceding sentence applies shall not be taken into account under this paragraph for any subsequent calendar year.

“(iii) ONLY REMUNERATION FOR CERTAIN POST-2009 SERVICES COUNTED.—Remuneration shall be taken into account under clause (i) only to the extent attributable to services performed by the employee for the plan sponsor after February 28, 2010.

“(iv) EXCEPTION FOR CERTAIN EQUITY PAYMENTS.—

“(I) IN GENERAL.—There shall not be taken into account under clause (i)(I) any amount includible in income with respect to the granting after February 28, 2010, of service recipient stock (within the meaning of section 409A) that, upon such grant, is subject to a substantial risk of forfeiture (as defined under section 83(c)(1)) for at least 5 years from the date of such grant.

“(II) SECRETARIAL AUTHORITY.—The Secretary may by regulation provide for the application of this clause in the case of a person other than a corporation.

“(v) OTHER EXCEPTIONS.—The following amounts includible in income shall not be taken into account under clause (i)(I):

“(I) COMMISSIONS.—Any remuneration payable on a commission basis solely on account of income directly generated by the individual performance of the individual to whom such remuneration is payable.

“(II) CERTAIN PAYMENTS UNDER EXISTING CONTRACTS.—Any remuneration consisting of nonqualified deferred compensation, restricted stock, stock options, or stock appreciation rights payable or granted under a written binding contract that was in effect on March 1, 2010, and which was not modified in any material respect before such remuneration is paid.

“(vi) SELF-EMPLOYED INDIVIDUAL TREATED AS EMPLOYEE.—The term ‘employee’ includes, with respect to a calendar year, a self-employed individual who is treated as an employee under section 401(c) for the taxable year ending during such calendar year, and the term ‘compensation’ shall include earned income of such individual with respect to such self-employment.

“(vii) INDEXING OF AMOUNT.—In the case of any calendar year beginning after 2010, the dollar amount under clause (i)(II) shall be increased by an amount equal to—

“(I) such dollar amount, multiplied by

“(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year, determined by substituting ‘calendar year 2009’ for ‘calendar year 1992’ in subparagraph (B) thereof.

If the amount of any increase under clause (i) is not a multiple of \$1,000, such increase shall be rounded to the next lowest multiple of \$1,000.

“(E) EXTRAORDINARY DIVIDENDS AND REDEMPTIONS.—

“(i) IN GENERAL.—The amount determined under this subparagraph for any plan year is the excess (if any) of the sum of the dividends declared during the plan year by the plan sponsor plus the aggregate amount paid for the redemption of stock of the plan sponsor redeemed during the plan year over the greater of—

“(I) the adjusted net income (within the meaning of section 4043 of the Employee Retirement Income Security Act of 1974) of the plan sponsor for the preceding plan year, determined without regard to any reduction by reason of interest, taxes, depreciation, or amortization, or

“(II) in the case of a plan sponsor that determined and declared dividends in the same manner for at least 5 consecutive years immediately preceding such plan year, the aggregate amount of dividends determined and declared for such plan year using such manner.

“(ii) ONLY CERTAIN POST-2009 DIVIDENDS AND REDEMPTIONS COUNTED.—For purposes of clause (i), there shall only be taken into account dividends declared, and redemptions occurring, after February 28, 2010.

“(iii) EXCEPTION FOR INTRA-GROUP DIVIDENDS.—Dividends paid by one member of a controlled group (as defined in section 412(d)(3)) to another member of such group shall not be taken into account under clause (i).

“(iv) EXCEPTION FOR CERTAIN REDEMPTIONS.—Redemptions that are made pursuant to a plan maintained with respect to employees, or that are made on account of the death, disability, or termination of employment of an employee or shareholder, shall not be taken into account under clause (i).

“(v) EXCEPTION FOR CERTAIN PREFERRED STOCK.—

“(I) IN GENERAL.—Dividends and redemptions with respect to applicable preferred stock shall not be taken into account under clause (i) to the extent that dividends accrue with respect to such stock at a specified rate in all events and without regard to the plan sponsor's income, and interest accrues on any unpaid dividends with respect to such stock.

“(II) APPLICABLE PREFERRED STOCK.—For purposes of subclause (I), the term ‘applicable preferred stock’ means preferred stock which was issued before March 1, 2010 (or which was issued after such date and is held by an employee benefit plan subject to the provisions of title I of Employee Retirement Income Security Act of 1974).

“(F) OTHER DEFINITIONS AND RULES.—For purposes of this paragraph—

“(i) PLAN SPONSOR.—The term ‘plan sponsor’ includes any member of the plan sponsor's controlled group (as defined in section 412(d)(3)).

“(ii) RESTRICTION PERIOD.—The term ‘restriction period’ means, with respect to any election year—

“(I) except as provided in subclause (II), the 3-year period beginning with the election year (or, if later, the first plan year beginning after December 31, 2009), and



“(II) if the plan sponsor elects 15-year amortization for the shortfall amortization base for the election year, the 5-year period beginning with the election year (or, if later, the first plan year beginning after December 31, 2009).

“(iii) ELECTIONS FOR MULTIPLE PLANS.—If a plan sponsor makes elections under paragraph (2)(D) with respect to 2 or more plans, the Secretary shall provide rules for the application of this paragraph to such plans, including rules for the ratable allocation of any installment acceleration amount among such plans on the basis of each plan's relative reduction in the plan's shortfall amortization installment for the first plan year in the amortization period described in subparagraph (A) (determined without regard to this paragraph).

“(iv) MERGERS AND ACQUISITIONS.—The Secretary shall prescribe rules for the application of paragraph (2)(D) and this paragraph in any case where there is a merger or acquisition involving a plan sponsor making the election under paragraph (2)(D).”

(3) CONFORMING AMENDMENTS.—Section 430 is amended—

(A) in subsection (c)(1), by striking “the shortfall amortization bases for such plan year and each of the 6 preceding plan years” and inserting “any shortfall amortization base which has not been fully amortized under this subsection”, and

(B) in subsection (j)(3), by adding at the end the following:

“(F) QUARTERLY CONTRIBUTIONS NOT TO INCLUDE CERTAIN INCREASED CONTRIBUTIONS.—Subparagraph (D) shall be applied without regard to any increase under subsection (c)(7).”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

**SEC. 302. APPLICATION OF EXTENDED AMORTIZATION PERIOD TO PLANS SUBJECT TO PRIOR LAW FUNDING RULES.**

(a) IN GENERAL.—Title I of the Pension Protection Act of 2006 is amended by redesignating section 107 as section 108 and by inserting the following after section 106:

**“SEC. 107. APPLICATION OF EXTENDED AMORTIZATION PERIODS TO PLANS WITH DELAYED EFFECTIVE DATE.**

“(a) IN GENERAL.—If the plan sponsor of a plan to which section 104, 105, or 106 of this Act applies elects to have this section apply for any eligible plan year (in this section referred to as an ‘election year’), section 302 of the Employee Retirement Income Security Act of 1974 and section 412 of the Internal Revenue Code of 1986 (as in effect before the amendments made by this subtitle and subtitle B) shall apply to such year in the manner described in subsection (b) or (c), whichever is specified in the election. All references in this section to ‘such Act’ or ‘such Code’ shall be to such Act or such Code as in effect before the amendments made by this subtitle and subtitle B.

“(b) APPLICATION OF 2 AND 7 RULE.—In the case of an election year to which this subsection applies—

“(1) 2-YEAR LOOKBACK FOR DETERMINING DEFICIT REDUCTION CONTRIBUTIONS FOR CERTAIN PLANS.—For purposes of applying section 302(d)(9) of such Act and section 412(l)(9) of such Code, the funded current liability percentage (as defined in subparagraph (C) thereof) for such plan for such plan year shall be such funded current liability percentage of such plan for the second plan year preceding the first election year of such plan.

“(2) CALCULATION OF DEFICIT REDUCTION CONTRIBUTION.—For purposes of applying section 302(d) of such Act and section 412(l) of such Code to a plan to which such sections apply (after taking into account paragraph (1))—

“(A) in the case of the increased unfunded new liability of the plan, the applicable percentage described in section 302(d)(4)(C) of such Act and section 412(l)(4)(C) of such Code shall be the third segment rate described in sections 104(b), 105(b), and 106(b) of this Act, and

“(B) in the case of the excess of the unfunded new liability over the increased unfunded new liability, such applicable percentage shall be determined without regard to this section.

“(c) APPLICATION OF 15-YEAR AMORTIZATION.—In the case of an election year to which this subsection applies, for purposes of applying section 302(d) of such Act and section 412(l) of such Code—

“(1) in the case of the increased unfunded new liability of the plan, the applicable percentage described in section 302(d)(4)(C) of such Act and section 412(l)(4)(C) of such Code for any pre-effective date plan year beginning with or after the first election year shall be the ratio of—

“(A) the annual installments payable in each year if the increased unfunded new liability for such plan year were amortized over 15 years, using an interest rate equal to the third segment rate described in sections 104(b), 105(b), and 106(b) of this Act, to

“(B) the increased unfunded new liability for such plan year, and

“(2) in the case of the excess of the unfunded new liability over the increased unfunded new liability, such applicable percentage shall be determined without regard to this section.

“(d) ELECTION.—

“(1) IN GENERAL.—The plan sponsor of a plan may elect to have this section apply to not more than 2 eligible plan years with respect to the plan, except that in the case of a plan to which section 106 of this Act applies, the plan sponsor may only elect to have this section apply to 1 eligible plan year.

“(2) AMORTIZATION SCHEDULE.—Such election shall specify whether the rules under subsection (b) or (c) shall apply to an election year, except that if a plan sponsor elects to have this section apply to 2 eligible plan years, the plan sponsor must elect the same rule for both years.

“(3) OTHER RULES.—Such election shall be made at such time, and in such form and manner, as shall be prescribed by the Secretary of the Treasury, and may be revoked only with the consent of the Secretary of the Treasury.

“(e) DEFINITIONS.—For purposes of this section—

“(1) ELIGIBLE PLAN YEAR.—For purposes of this subparagraph, the term ‘eligible plan year’ means any plan year beginning in 2008, 2009, 2010, or 2011, except that a plan year beginning in 2008 shall only be treated as an eligible plan year if the due date for the payment of the minimum required contribution for such plan year occurs on or after the date of the enactment of this clause.

“(2) PRE-EFFECTIVE DATE PLAN YEAR.—The term ‘pre-effective date plan year’ means, with respect to a plan, any plan year prior to the first year in which the amendments made by this subtitle and subtitle B apply to the plan.

“(3) INCREASED UNFUNDED NEW LIABILITY.—The term ‘increased unfunded new liability’ means, with respect to a year, the excess (if any) of the unfunded new liability over the amount of unfunded new liability determined as if the value of the plan's assets determined under subsection 302(c)(2) of such Act and section 412(c)(2) of such Code equaled the product of the current liability of the plan for the year multiplied by the funded current liability percentage (as defined in section 302(d)(8)(B) of such Act and

412(l)(8)(B) of such Code) of the plan for the second plan year preceding the first election year of such plan.

“(4) OTHER DEFINITIONS.—The terms ‘unfunded new liability’ and ‘current liability’ shall have the meanings set forth in section 302(d) of such Act and section 412(l) of such Code.”

(b) ELIGIBLE CHARITY PLANS.—Section 104 of the Pension Protection Act of 2006 is amended—

(1) by striking “eligible cooperative plan” wherever it appears in subsections (a) and (b) and inserting “eligible cooperative plan or an eligible charity plan”, and

(2) by adding at the end the following new subsection:

“(d) ELIGIBLE CHARITY PLAN DEFINED.—For purposes of this section, a plan shall be treated as an eligible charity plan for a plan year if the plan is maintained by more than one employer (determined without regard to section 414(c) of the Internal Revenue Code) and 100 percent of the employers are described in section 501(c)(3) of such Code.”

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect as if included in the Pension Protection Act of 2006.

(2) ELIGIBLE CHARITY PLAN.—The amendments made by subsection (b) shall apply to plan years beginning after December 31, 2007, except that a plan sponsor may elect to apply such amendments to plan years beginning after December 31, 2008. Any such election shall be made at such time, and in such form and manner, as shall be prescribed by the Secretary of the Treasury, and may be revoked only with the consent of the Secretary of the Treasury.

**SEC. 303. LOOKBACK FOR CERTAIN BENEFIT RESTRICTIONS.**

(a) IN GENERAL.—

(1) AMENDMENT TO ERISA.—Section 206(g)(9) of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following:

“(D) SPECIAL RULE FOR CERTAIN YEARS.—Solely for purposes of any applicable provision—

“(i) IN GENERAL.—For plan years beginning on or after October 1, 2008, and before October 1, 2010, the adjusted funding target attainment percentage of a plan shall be the greater of—

“(I) such percentage, as determined without regard to this subparagraph, or

“(II) the adjusted funding target attainment percentage for such plan for the plan year beginning after October 1, 2007, and before October 1, 2008, as determined under rules prescribed by the Secretary of the Treasury.

“(ii) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year—

“(I) clause (i) shall apply to plan years beginning after December 31, 2007, and before January 1, 2010, and

“(II) clause (i)(II) shall apply based on the last plan year beginning before November 1, 2007, as determined under rules prescribed by the Secretary of the Treasury.

“(iii) APPLICABLE PROVISION.—For purposes of this subparagraph, the term ‘applicable provision’ means—

“(I) paragraph (3), but only for purposes of applying such paragraph to a payment which, as determined under rules prescribed by the Secretary of the Treasury, is a payment under a social security leveling option which accelerates payments under the plan before, and reduces payments after, a participant starts receiving social security benefits in order to provide substantially similar aggregate payments both before and after such benefits are received, and

“(II) paragraph (4).”

(2) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 436(j) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(3) SPECIAL RULE FOR CERTAIN YEARS.—Solely for purposes of any applicable provision—

“(A) IN GENERAL.—For plan years beginning on or after October 1, 2008, and before October 1, 2010, the adjusted funding target attainment percentage of a plan shall be the greater of—

“(i) such percentage, as determined without regard to this paragraph, or

“(ii) the adjusted funding target attainment percentage for such plan for the plan year beginning after October 1, 2007, and before October 1, 2008, as determined under rules prescribed by the Secretary.

“(B) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year—

“(i) subparagraph (A) shall apply to plan years beginning after December 31, 2007, and before January 1, 2010, and

“(ii) subparagraph (A)(i) shall apply based on the last plan year beginning before November 1, 2007, as determined under rules prescribed by the Secretary.

“(C) APPLICABLE PROVISION.—For purposes of this paragraph, the term ‘applicable provision’ means—

“(i) subsection (d), but only for purposes of applying such paragraph to a payment which, as determined under rules prescribed by the Secretary, is a payment under a social security leveling option which accelerates payments under the plan before, and reduces payments after, a participant starts receiving social security benefits in order to provide substantially similar aggregate payments both before and after such benefits are received, and

“(ii) subsection (e).”.

(b) INTERACTION WITH WRERA RULE.—Section 203 of the Worker, Retiree, and Employer Recovery Act of 2008 shall apply to a plan for any plan year in lieu of the amendments made by this section applying to sections 206(g)(4) of the Employee Retirement Income Security Act of 1974 and 436(e) of the Internal Revenue Code of 1986 only to the extent that such section produces a higher adjusted funding target attainment percentage for such plan for such year.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to plan years beginning on or after October 1, 2008.

(2) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year, the amendments made by this section shall apply to plan years beginning after December 31, 2007.

#### SEC. 304. LOOKBACK FOR CREDIT BALANCE RULE FOR PLANS MAINTAINED BY CHARITIES.

(a) AMENDMENT TO ERISA.—Paragraph (3) of section 303(f) of the Employee Retirement Income Security Act of 1974 is amended by adding the following at the end thereof:

“(D) SPECIAL RULE FOR CERTAIN YEARS OF PLANS MAINTAINED BY CHARITIES.—

“(i) IN GENERAL.—For purposes of applying subparagraph (C) for plan years beginning after August 31, 2009, and before September 1, 2011, the ratio determined under such subparagraph for the preceding plan year shall be the greater of—

“(I) such ratio, as determined without regard to this subparagraph, or

“(II) the ratio for such plan for the plan year beginning after August 31, 2007, and before September 1, 2008, as determined under rules prescribed by the Secretary of the Treasury.

“(ii) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year—

“(I) clause (i) shall apply to plan years beginning after December 31, 2008, and before January 1, 2011, and

“(II) clause (i)(II) shall apply based on the last plan year beginning before September 1, 2007, as determined under rules prescribed by the Secretary of the Treasury.

“(iii) LIMITATION TO CHARITIES.—This subparagraph shall not apply to any plan unless such plan is maintained exclusively by one or more organizations described in section 501(c)(3) of the Internal Revenue Code of 1986.”.

(b) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Paragraph (3) of section 430(f) of the Internal Revenue Code of 1986 is amended by adding the following at the end thereof:

“(D) SPECIAL RULE FOR CERTAIN YEARS OF PLANS MAINTAINED BY CHARITIES.—

“(i) IN GENERAL.—For purposes of applying subparagraph (C) for plan years beginning after August 31, 2009, and before September 1, 2011, the ratio determined under such subparagraph for the preceding plan year of a plan shall be the greater of—

“(I) such ratio, as determined without regard to this subsection, or

“(II) the ratio for such plan for the plan year beginning after August 31, 2007 and before September 1, 2008, as determined under rules prescribed by the Secretary.

“(ii) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year—

“(I) clause (i) shall apply to plan years beginning after December 31, 2007, and before January 1, 2010, and

“(II) clause (i)(II) shall apply based on the last plan year beginning before September 1, 2007, as determined under rules prescribed by the Secretary.

“(iii) LIMITATION TO CHARITIES.—This subparagraph shall not apply to any plan unless such plan is maintained exclusively by one or more organizations described in section 501(c)(3).”.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to plan years beginning after August 31, 2009.

(2) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year, the amendments made by this section shall apply to plan years beginning after December 31, 2008.

#### Subtitle B—Multiemployer Plans

#### SEC. 321. ADJUSTMENTS TO FUNDING STANDARD ACCOUNT RULES.

(a) ADJUSTMENTS.—

(1) AMENDMENT TO ERISA.—Section 304(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1084(b)) is amended by adding at the end the following new paragraph:

“(8) SPECIAL RELIEF RULES.—Notwithstanding any other provision of this subsection—

“(A) AMORTIZATION OF NET INVESTMENT LOSSES.—

“(i) IN GENERAL.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met may treat the portion of any experience loss or gain attributable to net investment losses incurred in either or both of the first two plan years ending after August 31, 2008, as an item separate from other experience losses, to be amortized in equal annual installments (until fully amortized) over the period —

“(I) beginning with the plan year in which such portion is first recognized in the actuarial value of assets, and

“(II) ending with the last plan year in the 30-plan year period beginning with the plan

year in which such net investment loss was incurred.

“(ii) COORDINATION WITH EXTENSIONS.—If this subparagraph applies for any plan year—

“(I) no extension of the amortization period under clause (i) shall be allowed under subsection (d), and

“(II) if an extension was granted under subsection (d) for any plan year before the election to have this subparagraph apply to the plan year, such extension shall not result in such amortization period exceeding 30 years.

“(iii) NET INVESTMENT LOSSES.—For purposes of this subparagraph—

“(I) IN GENERAL.—Net investment losses shall be determined in the manner prescribed by the Secretary of the Treasury on the basis of the difference between actual and expected returns (including any difference attributable to any criminally fraudulent investment arrangement).

“(II) CRIMINALLY FRAUDULENT INVESTMENT ARRANGEMENTS.—The determination as to whether an arrangement is a criminally fraudulent investment arrangement shall be made under rules substantially similar to the rules prescribed by the Secretary of the Treasury for purposes of section 165 of the Internal Revenue Code of 1986.

“(B) EXPANDED SMOOTHING PERIOD.—

“(i) IN GENERAL.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met may change its asset valuation method in a manner which—

“(I) spreads the difference between expected and actual returns for either or both of the first 2 plan years ending after August 31, 2008, over a period of not more than 10 years,

“(II) provides that for either or both of the first 2 plan years beginning after August 31, 2008, the value of plan assets at any time shall not be less than 80 percent or greater than 130 percent of the fair market value of such assets at such time, or

“(III) makes both changes described in subclauses (I) and (II) to such method.

“(ii) ASSET VALUATION METHODS.—If this subparagraph applies for any plan year—

“(I) the Secretary of the Treasury shall not treat the asset valuation method of the plan as unreasonable solely because of the changes in such method described in clause (i), and

“(II) such changes shall be deemed approved by such Secretary under section 302(d)(1) and section 412(d)(1) of such Code.

“(iii) AMORTIZATION OF REDUCTION IN UNFUNDED ACCRUED LIABILITY.—If this subparagraph and subparagraph (A) both apply for any plan year, the plan shall treat any reduction in unfunded accrued liability resulting from the application of this subparagraph as a separate experience amortization base, to be amortized in equal annual installments (until fully amortized) over a period of 30 plan years rather than the period such liability would otherwise be amortized over.

“(C) SOLVENCY TEST.—The solvency test under this paragraph is met only if the plan actuary certifies that the plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the amortization period, taking into account the changes in the funding standard account under this paragraph.

“(D) RESTRICTION ON BENEFIT INCREASES.—If subparagraph (A) or (B) apply to a multiemployer plan for any plan year, then, in addition to any other applicable restrictions on benefit increases, a plan amendment increasing benefits may not go into effect during either of the 2 plan years immediately following such plan year unless—

“(i) the plan actuary certifies that—

“(I) any such increase is paid for out of additional contributions not allocated to the plan immediately before the application of this paragraph to the plan, and

“(II) the plan’s funded percentage and projected credit balances for such 2 plan years are reasonably expected to be at least as high as such percentage and balances would have been if the benefit increase had not been adopted, or

“(ii) the amendment is required as a condition of qualification under part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986 or to comply with other applicable law.

“(E) REPORTING.—A plan sponsor of a plan to which this paragraph applies shall—

“(i) give notice of such application to participants and beneficiaries of the plan, and

“(ii) inform the Pension Benefit Guaranty Corporation of such application in such form and manner as the Director of the Pension Benefit Guaranty Corporation may prescribe.”.

(2) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 431(b) is amended by adding at the end the following new paragraph:

“(8) SPECIAL RELIEF RULES.—Notwithstanding any other provision of this subsection—

“(A) AMORTIZATION OF NET INVESTMENT LOSSES.—

“(i) IN GENERAL.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met may treat the portion of any experience loss or gain attributable to net investment losses incurred in either or both of the first two plan years ending after August 31, 2008, as an item separate from other experience losses, to be amortized in equal annual installments (until fully amortized) over the period—

“(I) beginning with the plan year in which such portion is first recognized in the actuarial value of assets, and

“(II) ending with the last plan year in the 30-plan year period beginning with the plan year in which such net investment loss was incurred.

“(ii) COORDINATION WITH EXTENSIONS.—If this subparagraph applies for any plan year—

“(I) no extension of the amortization period under clause (i) shall be allowed under subsection (d), and

“(II) if an extension was granted under subsection (d) for any plan year before the election to have this subparagraph apply to the plan year, such extension shall not result in such amortization period exceeding 30 years.

“(iii) NET INVESTMENT LOSSES.—For purposes of this subparagraph—

“(I) IN GENERAL.—Net investment losses shall be determined in the manner prescribed by the Secretary on the basis of the difference between actual and expected returns (including any difference attributable to any criminally fraudulent investment arrangement).

“(II) CRIMINALLY FRAUDULENT INVESTMENT ARRANGEMENTS.—The determination as to whether an arrangement is a criminally fraudulent investment arrangement shall be made under rules substantially similar to the rules prescribed by the Secretary for purposes of section 165.

“(B) EXPANDED SMOOTHING PERIOD.—

“(i) IN GENERAL.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met may change its asset valuation method in a manner which—

“(I) spreads the difference between expected and actual returns for either or both of the first 2 plan years ending after August 31, 2008, over a period of not more than 10 years,

“(II) provides that for either or both of the first 2 plan years beginning after August 31, 2008, the value of plan assets at any time shall not be less than 80 percent or greater than 130 percent of the fair market value of such assets at such time, or

“(III) makes both changes described in subparagraphs (I) and (II) to such method.

“(ii) ASSET VALUATION METHODS.—If this subparagraph applies for any plan year—

“(I) the Secretary shall not treat the asset valuation method of the plan as unreasonable solely because of the changes in such method described in clause (i), and

“(II) such changes shall be deemed approved by the Secretary under section 302(d)(1) of the Employee Retirement Income Security Act of 1974 and section 412(d)(1).

“(iii) AMORTIZATION OF REDUCTION IN UNFUNDED ACCRUED LIABILITY.—If this subparagraph and subparagraph (A) both apply for any plan year, the plan shall treat any reduction in unfunded accrued liability resulting from the application of this subparagraph as a separate experience amortization base, to be amortized in equal annual installments (until fully amortized) over a period of 30 plan years rather than the period such liability would otherwise be amortized over.

“(C) SOLVENCY TEST.—The solvency test under this paragraph is met only if the plan actuary certifies that the plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the amortization period, taking into account the changes in the funding standard account under this paragraph.

“(D) RESTRICTION ON BENEFIT INCREASES.—If subparagraph (A) or (B) apply to a multiemployer plan for any plan year, then, in addition to any other applicable restrictions on benefit increases, a plan amendment increasing benefits may not go into effect during either of the 2 plan years immediately following such plan year unless—

“(i) the plan actuary certifies that—

“(I) any such increase is paid for out of additional contributions not allocated to the plan immediately before the application of this paragraph to the plan, and

“(II) the plan’s funded percentage and projected credit balances for such 2 plan years are reasonably expected to be at least as high as such percentage and balances would have been if the benefit increase had not been adopted, or

“(ii) the amendment is required as a condition of qualification under part I of subchapter D or to comply with other applicable law.

“(E) REPORTING.—A plan sponsor of a plan to which this paragraph applies shall—

“(i) give notice of such application to participants and beneficiaries of the plan, and

“(ii) inform the Pension Benefit Guaranty Corporation of such application in such form and manner as the Director of the Pension Benefit Guaranty Corporation may prescribe.”.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall take effect as of the first day of the first plan year ending after August 31, 2008, except that any election a plan makes pursuant to this section that affects the plan’s funding standard account for the first plan year beginning after August 31, 2008, shall be disregarded for purposes of applying the provisions of section 305 of the Employee Retirement Income Security Act of 1974 and section 432 of the Internal Revenue Code of 1986 to such plan year.

(2) RESTRICTIONS ON BENEFIT INCREASES.—Notwithstanding paragraph (1), the restrictions on plan amendments increasing benefits in sections 304(b)(8)(D) of such Act and 431(b)(8)(D) of such Code, as added by this

section, shall take effect on the date of enactment of this Act.

#### TITLE IV—REVENUE OFFSETS

##### SEC. 401. ROLLOVERS FROM ELECTIVE DEFERRAL PLANS TO ROTH DESIGNATED ACCOUNTS.

(a) IN GENERAL.—Section 402A(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) TAXABLE ROLLOVERS TO DESIGNATED ROTH ACCOUNTS.—

“(A) IN GENERAL.—Notwithstanding sections 402(c), 403(b)(8), and 457(e)(16), in the case of any distribution to which this paragraph applies—

“(i) there shall be included in gross income any amount which would be includable were it not part of a qualified rollover contribution,

“(ii) section 72(t) shall not apply, and

“(iii) unless the taxpayer elects not to have this clause apply, any amount required to be included in gross income for any taxable year beginning in 2010 by reason of this paragraph shall be so included ratably over the 2-taxable-year period beginning with the first taxable year beginning in 2011.

Any election under clause (iii) for any distributions during a taxable year may not be changed after the due date for such taxable year.

“(B) DISTRIBUTIONS TO WHICH PARAGRAPH APPLIES.—In the case of an applicable retirement plan which includes a qualified Roth contribution program, this paragraph shall apply to a distribution from such plan other than from a designated Roth account which is contributed in a qualified rollover contribution to the designated Roth account maintained under such plan for the benefit of the individual to whom the distribution is made.

“(C) OTHER RULES.—The rules of subparagraphs (D), (E), and (F) of section 408A(d)(3) (as in effect for taxable years beginning after 2009) shall apply for purposes of this paragraph.”.

##### SEC. 402. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(e)(1) (defining applicable retirement plan) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) (defining elective deferral) is amended to read as follows:

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means—

“(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

“(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

##### SEC. 403. TEMPORARY ONE-YEAR FREEZE ON RAISES, BONUSES, AND OTHER SALARY INCREASES FOR FEDERAL EMPLOYEES.

Notwithstanding any other provision of law, civilian employees of the Federal Government in fiscal year 2011 shall not receive a cost of living adjustment or other salary increase, including a bonus. The salaries of members of the armed forces are exempt from the provisions of this section.

**SEC. 404. CAPPING THE TOTAL NUMBER OF FEDERAL EMPLOYEES.**

(a) IN GENERAL.—Not later than 3 months after the date of enactment of this Act, the head of each relevant Federal department or agency shall collaborate with the Director of the Office of Management and Budget to determine how many full-time employees the department or agency employs. For each new full-time employee added to any Federal department or agency for any purpose, the head of such department or agency shall ensure that the addition of such new employee is offset by a reduction of one existing full-time employee at such department or agency.

(b) INFORMATION ON TOTAL EMPLOYEES.—The Director of the Office of Management and Budget shall publicly disclose the total number of Federal employees, as well as a breakdown of Federal employees by agency and the annual salary by title of each Federal employee at an agency and update such information not less than once a year.

**SEC. 405. COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT.**

(a) IN GENERAL.—Chapter 73 of title 5, United States Code, is amended by adding at the end the following:

**“SUBCHAPTER VIII—COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT****“§ 7381. Collection of unpaid taxes from employees of the Federal Government**

“(a) DEFINITION.—For purposes of this section—

“(1) the term ‘seriously delinquent tax debt’ means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code, except that such term does not include—

“(A) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code; and

“(B) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending; and

“(2) the term ‘Federal employee’ means—

“(A) an employee, as defined by section 2105; and

“(B) an employee of the United States Congress, including Members of the House of Representatives and Senators.

“(b) COLLECTION OF UNPAID TAXES.—The Internal Revenue Service shall coordinate with the Department of Treasury and the hiring agency of a Federal employee who has a seriously delinquent tax debt to collect such taxes by withholding a portion of the employee’s salary over a period set by the hiring agency to ensure prompt payment.”.

(b) CLERICAL AMENDMENT.—The analysis for chapter 73 of title 5, United States Code, is amended by adding at the end the following:

**“SUBCHAPTER VIII—COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT**

“Sec. 7381. Collection of unpaid taxes from employees of the Federal Government.”.

**SEC. 406. REDUCING PRINTING AND PUBLISHING COSTS OF GOVERNMENT DOCUMENTS.**

Within 90 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall coordinate with the heads of Federal departments and independent agencies to determine which Government publications could be available on Government websites and no longer printed and to devise a strategy to reduce overall Government printing costs by no less than a

total of \$4,600,000 over the 10-year period beginning with fiscal year 2010. The Director shall ensure that essential printed documents prepared for Social Security recipients, Medicare beneficiaries, and other populations in areas with limited internet access or use continue to remain available.

**SEC. 407. REDUCING EXCESSIVE DUPLICATION, OVERHEAD AND SPENDING WITHIN THE FEDERAL GOVERNMENT.**

(a) REDUCING DUPLICATION.—The Director of the Office of Management Budget and the Secretary of each department (or head of each independent agency) shall work with the Chairman and ranking member of the relevant congressional appropriations subcommittees and the congressional authorizing committees and the Director of the Office of Management Budget to consolidate programs with duplicative goals, missions, and initiatives.

(b) CONTROLLING BUREAUCRATIC OVERHEAD COSTS.—Each Federal department and agency shall reduce annual administrative expenses by at least five percent in fiscal year 2011.

(c) RESCISSIONS OF EXCESSIVE SPENDING.—There is hereby rescinded an amount equal to 5 percent of—

(1) the budget authority provided (or obligation limit imposed) for fiscal year 2010 for any discretionary account in any other fiscal year 2010 appropriation Act;

(2) the budget authority provided in any advance appropriation for fiscal year 2010 for any discretionary account in any prior fiscal year appropriation Act; and

(3) the contract authority provided in fiscal year 2010 for any program subject to limitation contained in any fiscal year 2010 appropriation Act.

(d) PROPORTIONATE APPLICATION.—Any rescission made by subsection (a) shall be applied proportionately—

(1) to each discretionary account and each item of budget authority described in such subsection; and

(2) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying reports for the relevant fiscal year covering such account or item, or for accounts and items not included in appropriation Acts, as delineated in the most recently submitted President’s budget)

(e) EXCEPTIONS.—This section shall not apply to discretionary authority appropriated or otherwise made available to the Department of Veterans Affairs and the Department of Defense.

(f) OMB REPORT.—Within 30 days after the date of enactment of this section, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a report specifying the account and amount of each rescission made pursuant to this section and the report shall be posted on the public website of the Office of Management and Budget.

**SEC. 408. ELIMINATING NONESSENTIAL GOVERNMENT TRAVEL.**

Within 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget, in consultation with the heads of the Federal departments and agencies, shall establish a definition of “non-essential travel” and criteria to determine if travel-related expenses and requests by Federal employees meet the definition of “non-essential travel”. No travel expenses paid for, in whole or in part, with Federal funds shall be paid by the Federal Government unless a request is made prior to the travel and the requested travel meets the criteria established by this section. Any travel request that does not meet the definition and cri-

teria shall be disallowed, including reimbursement for air flights, automobile rentals, train tickets, lodging, per diem, and other travel-related costs. The definition established by the Director of the Office of Management and Budget may include exemptions in the definition, including travel related to national defense, homeland security, border security, national disasters, and other emergencies. The Director of the Office of Management and Budget shall ensure that all travel costs paid for in part or whole by the Federal Government not related to national defense, homeland security, border security, national disasters, and other emergencies do not exceed \$5,000,000,000 annually.

**SEC. 409. ELIMINATING BONUSES FOR POOR PERFORMANCE BY GOVERNMENT CONTRACTORS.**

(a) GUIDANCE ON LINKING OF AWARD AND INCENTIVE FEES TO OUTCOMES.—Not later than 180 days after the date of enactment of this Act, each Federal department or agency shall issue guidance, with detailed implementation instructions (including definitions), on the appropriate use of award and incentive fees in department or agency programs.

(b) ELEMENTS.—The guidance under subsection (a) shall—

(1) ensure that all new contracts using award fees link such fees to outcomes (which shall be defined in terms of program cost, schedule, and performance);

(2) establish standards for identifying the appropriate level of officials authorized to approve the use of award and incentive fees in new contracts;

(3) provide guidance on the circumstances in which contractor performance may be judged to be excellent or superior and the percentage of the available award fee which contractors should be paid for such performance;

(4) establish standards for determining the percentage of the available award fee, if any, which contractors should be paid for performance that is judged to be acceptable, average, expected, good, or satisfactory;

(5) ensure that no award fee may be paid for contractor performance that is judged to be below satisfactory performance or performance that does not meet the basic requirements of the contract;

(6) provide specific direction on the circumstances, if any, in which it may be appropriate to roll over award fees that are not earned in one award fee period to a subsequent award fee period or periods;

(7) ensure that the Department or agency—

(A) collects relevant data on award and incentive fees paid to contractors; and

(B) has mechanisms in place to evaluate such data on a regular basis; and

(8) include performance measures to evaluate the effectiveness of award and incentive fees as a tool for improving contractor performance and achieving desired program outcomes.

(c) RETURN OF UNEARNED BONUSES.—Any funds intended to be awarded as incentive fees that are not paid due to contractors inability to meet the criteria established by this section shall be returned to the Treasury.

**SEC. 410. \$1,000,000,000 LIMITATION ON VOLUNTARY PAYMENTS TO THE UNITED NATIONS.**

Notwithstanding any other provision of law, the Secretary of State shall ensure no more than \$1,000,000,000 is provided to the United Nations each year in excess of the United States’ annual assessed contributions

**SEC. 411. RESCINDING A STATE DEPARTMENT TRAINING FACILITY UNWANTED BY RESIDENTS OF THE COMMUNITY IN WHICH IT IS PLANNED TO BE CONSTRUCTED.**

Notwithstanding any other provision of law, no Federal funds may be spent to construct a State Department training facility in Ruthsburg, Maryland, and any funding obligated for the facility by Public Law 111-5 are rescinded, *Provided That, this section does not prohibit funds otherwise appropriated to be spent by the State Department for training facilities in other jurisdictions in accordance with law.*

**SEC. 412. REDUCING BUDGETS OF MEMBERS OF CONGRESS.**

(a) IN GENERAL.—Of the funds made available under Public Law 111-68 for the legislative branch, \$100,000,000 in unobligated balances are permanently rescinded on a pro rata basis: *Provided*, That the rescissions made by the section shall not apply to funds made available to the Capitol Police.

(b) REPORTING.—The Director of the Office of Management and Budget shall report to Congress the amounts rescinded under subsection (a).

**SEC. 413. DISPOSING OF UNNEEDED AND UNUSED GOVERNMENT PROPERTY.**

(a) IN GENERAL.—Chapter 5 of subtitle I of title 40, United States Code, is amended by adding at the end the following:

**“SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY**

**“§ 621. Definitions**

“In this subchapter:

“(1) DIRECTOR.—The term ‘Director’ means the Director of the Office of Management and Budget.

“(2) EXPEDITED DISPOSAL OF A REAL PROPERTY.—The term ‘expedited disposal of a real property’ means a demolition of real property or a sale of real property for cash that is conducted under the requirements of section 545.

“(3) LANDHOLDING AGENCY.—The term ‘landholding agency’ means a landholding agency as defined under section 501(i)(3) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411(i)(3)).

“(4) REAL PROPERTY.—

“(A) IN GENERAL.—The term ‘real property’ means—

“(i) a parcel of real property under the administrative jurisdiction of the Federal Government that is—

“(I) excess;

“(II) surplus;

“(III) underperforming; or

“(IV) otherwise not meeting the needs of the Federal Government, as determined by the Director; and

“(ii) a building or other structure located on real property described under clause (i).

“(B) EXCLUSION.—The term ‘real property’ excludes any parcel of real property or building or other structure located on such real property that is to be closed or realigned under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

**“§ 622. Disposal program**

“(a) The Director of the Office of Management and Budget shall dispose of by sale or auction not less than \$15,000,000,000 worth of real property that is not meeting Federal Government from fiscal year 2010 to fiscal year 2015.

“(b) Agencies shall recommend candidate disposition real properties to the Director for participation in the pilot program established under section 622.

“(c) The Director, with the concurrence of the head of the executive agency concerned and consistent with the criteria established in this subchapter, may then select such can-

didate real properties for participation in the program and notify the recommending agency accordingly.

“(d) The Director shall ensure that all real properties selected for disposition under this section are listed on a website that shall—

“(1) be updated routinely; and

“(2) include the functionality to allow members of the public, at their option, to receive such updates through electronic mail.

“(e) The Director may transfer real property identified in the enactment of this section to the Department of Housing and Urban Development if the Secretary of Housing and Urban Development has determined such properties are suitable for use to assist the homeless.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of subtitle I of title 40, United States Code, is amended by inserting after the item relating to section 611 the following:

**“SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY**

“Sec. 621. Definitions.

“Sec. 622. Disposal program.”.

**SEC. 414. AUCTIONING AND SELLING OF UNUSED AND UNNEEDED EQUIPMENT.**

(a) Notwithstanding section 1033 of the National Defense Authorization Act of 1997 or any other provision of law, the Secretary of Defense shall auction or sell unused, unnecessary, or surplus supplies and equipment without providing preference to State or local governments.

(b) The Secretary may make exceptions to the sale or auction of such equipment for transfers of excess military property to state and local law enforcement agencies related to counter-drug efforts, counter-terrorism activities, or other efforts determined to be related to national defense or homeland security. The Secretary of Defense may sell such equipment to State and local agencies at fair market value.

**SEC. 415. RESCINDING UNSPENT FEDERAL FUNDS.**

(a) IN GENERAL.—Notwithstanding any other provision of law, of all available unobligated Federal funds, \$80,000,000,000 in appropriated discretionary unexpired funds are rescinded.

(b) IMPLEMENTATION.—Not later than 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall—

(1) identify the accounts and amounts rescinded to implement subsection (a); and

(2) submit a report to the Secretary of the Treasury and Congress of the accounts and amounts identified under paragraph (1) for rescission.

(c) EXCEPTION.—This section shall not apply to the unobligated Federal funds of the Department of Defense or the Department of Veterans Affairs.

**SEC. 416. USE OF STIMULUS FUNDS TO OFFSET SPENDING.**

The unobligated balance of each amount appropriated or made available under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) (other than under title X of division A of such Act) is rescinded such that the aggregate amount of such rescissions equal \$37,500,000,000 in order to offset the net increase in spending resulting from the provisions of, and amendments made by, this Act. The Director of the Office of Management and Budget shall report to each congressional committee the amounts so rescinded within the jurisdiction of such committee.

**SEC. 417. DEFICIT REDUCTION TRUST FUND.**

(a) IN GENERAL.—Subchapter I of chapter 31 of title 31, United States Code, is amended by adding at the end the following new section:

**“§3114. Certain rescinded stimulus funds to reduce public debt**

“(a) There is established in the Treasury of the United States a trust fund to be known as the ‘Deficit Reduction Trust Fund’ (in this section referred to as the ‘Trust Fund’).

“(b) There is appropriated to the Trust Fund the following amounts:

“(1) Amounts equivalent to the reductions in Federal spending, as estimated by the Secretary from time to time, as a result of the provisions of sections 403, 404, 406, 407 (other than subsection (c) thereof), 408, 409, 410, and 414 of the American Jobs and Closing Tax Loopholes Act of 2010.

“(2) Amounts equivalent to the amounts rescinded under sections 407(c), 411, 412, 415, and 416 of the American Jobs and Closing Tax Loopholes Act of 2010.

“(3) Amounts equivalent to the amounts received under the program established under section 622 of title 5, United States Code.

“(4) The amount of taxes received in the Treasury attributable to section 7384 of the Internal Revenue Code of 1986 and the amendments made by sections 401 and 402 of the American Jobs and Closing Tax Loopholes Act of 2010, as estimated by the Secretary.

“(c) The Secretary of the Treasury shall use the moneys in the Trust Fund solely to pay at maturity, or to redeem or buy before maturity, an obligation of the Government included in the public debt.

“(d) Any obligation of the Government which is paid, redeemed, or bought with money from the Trust Fund shall be canceled and retired and may not be reissued.”.

(b) CONFORMING AMENDMENT.—The table of sections for subchapter I of chapter 31 of title 31, United States Code, is amended by adding at the end the following new item:

“3114. Certain rescinded stimulus funds to reduce public debt.”.

**TITLE V—UNEMPLOYMENT, HEALTH, AND OTHER ASSISTANCE**

**Subtitle A—Unemployment Insurance and Other Assistance**

**SEC. 501. EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.**

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(A) by striking “June 2, 2010” each place it appears and inserting “November 30, 2010”;

(B) in the heading for subsection (b)(2), by striking “JUNE 2, 2010” and inserting “NOVEMBER 30, 2010”; and

(C) in subsection (b)(3), by striking “November 6, 2010” and inserting “April 30, 2011”.

(2) Section 2002(e) of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 438), is amended—

(A) in paragraph (1)(B), by striking “June 2, 2010” and inserting “November 30, 2010”;

(B) in the heading for paragraph (2), by striking “JUNE 2, 2010” and inserting “NOVEMBER 30, 2010”; and

(C) in paragraph (3), by striking “December 7, 2010” and inserting “May 31, 2011”.

(3) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111-5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking “June 2, 2010” each place it appears and inserting “December 1, 2010”; and

(B) in subsection (c), by striking “November 6, 2010” and inserting “May 1, 2011”.

(4) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110-449; 26 U.S.C. 3304 note) is amended by

striking “November 6, 2010” and inserting “April 30, 2011”.

(b) FUNDING.—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (D), by striking “and” at the end; and

(2) by inserting after subparagraph (E) the following:

“(F) the amendments made by section 501(a)(1) of the American Jobs and Closing Tax Loopholes Act of 2010; and”.

(c) CONDITIONS FOR RECEIVING EMERGENCY UNEMPLOYMENT COMPENSATION.—Section 4001(d)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended, in the matter preceding subparagraph (A), by inserting before “shall apply” the following: “(including terms and conditions relating to availability for work, active search for work, and refusal to accept work)”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Continuing Extension Act of 2010 (Public Law 111-157).

#### SEC. 502. COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.

(a) CERTAIN INDIVIDUALS NOT INELIGIBLE BY REASON OF NEW ENTITLEMENT TO REGULAR BENEFITS.—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by adding at the end the following:

“(g) COORDINATION OF EMERGENCY UNEMPLOYMENT COMPENSATION WITH REGULAR COMPENSATION.—

“(1) If—

“(A) an individual has been determined to be entitled to emergency unemployment compensation with respect to a benefit year,

“(B) that benefit year has expired,

“(C) that individual has remaining entitlement to emergency unemployment compensation with respect to that benefit year, and

“(D) that individual would qualify for a new benefit year in which the weekly benefit amount of regular compensation is at least either \$100 or 25 percent less than the individual’s weekly benefit amount in the benefit year referred to in subparagraph (A), then the State shall determine eligibility for compensation as provided in paragraph (2).

“(2) For individuals described in paragraph (1), the State shall determine whether the individual is to be paid emergency unemployment compensation or regular compensation for a week of unemployment using one of the following methods:

“(A) The State shall, if permitted by State law, establish a new benefit year, but defer the payment of regular compensation with respect to that new benefit year until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

“(B) The State shall, if permitted by State law, defer the establishment of a new benefit year (which uses all the wages and employment which would have been used to establish a benefit year but for the application of this paragraph), until exhaustion of all emergency unemployment compensation payable with respect to the benefit year referred to in paragraph (1)(A);

“(C) The State shall pay, if permitted by State law—

“(i) regular compensation equal to the weekly benefit amount established under the new benefit year, and

“(ii) emergency unemployment compensation equal to the difference between that weekly benefit amount and the weekly benefit amount for the expired benefit year; or

“(D) The State shall determine rights to emergency unemployment compensation

without regard to any rights to regular compensation if the individual elects to not file a claim for regular compensation under the new benefit year.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals whose benefit years, as described in section 4002(g)(1)(B) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note), as amended by this section, expire after the date of enactment of this Act.

#### Subtitle B—Physician Payment Update and Other Provisions

##### PART I—PHYSICIAN PAYMENT UPDATE

###### SEC. 511. PHYSICIAN PAYMENT UPDATE.

Section 1848 of the Social Security Act (42 U.S.C. 1395w-4) is amended—

(1) in subsection (d)—

(A) in paragraph (10), in the heading, by striking “PORTION” and inserting “THE FIRST 5 MONTHS”; and

(B) by adding at the end the following new paragraph:

“(11) UPDATE FOR THE LAST 7 MONTHS OF 2010 AND FOR 2011 AND 2012.—

“(A) IN GENERAL.—Subject to paragraphs (7)(B), (8)(B), (9)(B), and (10)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply—

“(i) for 2010 for the period beginning on June 1, 2010, and ending on December 31, 2010, the update to the single conversion factor shall be 2.0 percent; and

“(ii) for each of 2011 and 2012, the update to the single conversion factor shall be 2.0 percent.

“(B) NO EFFECT ON COMPUTATION OF CONVERSION FACTOR FOR 2013 AND SUBSEQUENT YEARS.—The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2013 and subsequent years as if subparagraph (A) had never applied.”; and

(2) in subsection (f), by adding at the end the following new paragraph:

“(5) TEMPORARY ADJUSTMENT.—In determining the growth rate under paragraph (2) for 2014, the Secretary’s estimate of the percentage change otherwise determined under paragraph (2)(D) shall be reduced by 4.0 percentage points.”.

##### PART II—EXTENSION OF EXPIRING PROVISIONS

###### SEC. 521. EXTENSION OF MMA SECTION 508 RECLASSIFICATIONS.

Section 106(a) of division B of the Tax Relief and Health Care Act of 2006 (42 U.S.C. 1395 note), as amended by section 117 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110-173), section 124 of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110-275), and sections 3137(a) and 10317 of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended by striking “September 30, 2010” and inserting “September 30, 2011”.

###### SEC. 522. EXTENSION OF MEDICARE WORK GEOGRAPHIC ADJUSTMENT FLOOR.

Section 1848(e)(1)(E) of the Social Security Act (42 U.S.C. 1395w-4(e)(1)(E)), as amended by section 3102 of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended by striking “before January 1, 2011” and inserting “before January 1, 2012”.

###### SEC. 523. EXTENSION OF EXCEPTIONS PROCESS FOR MEDICARE THERAPY CAPS.

Section 1833(g)(5) of the Social Security Act (42 U.S.C. 1395l(g)(5)) is amended by striking “and ending on” and all that follows through “2010” and inserting “and ending on December 31, 2011”.

###### SEC. 524. EXTENSION OF PAYMENT FOR TECHNICAL COMPONENT OF CERTAIN PHYSICIAN PATHOLOGY SERVICES.

Section 542(c) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Pro-

tection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106-554), as amended by section 732 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (42 U.S.C. 1395w-4 note), section 104 of division B of the Tax Relief and Health Care Act of 2006 (42 U.S.C. 1395w-4 note), section 104 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110-173), section 136 of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110-275), and section 3104 of the Patient Protection and Affordable Care Act (Public Law 111-148) is amended by striking “and 2010” and inserting “2010, and 2011”.

###### SEC. 525. EXTENSION OF AMBULANCE ADD-ONS.

(a) GROUND AMBULANCE.—Section 1834(l)(13)(A) of the Social Security Act (42 U.S.C. 1395m(l)(13)(A)), as amended by sections 3105(a) and 10311(a) of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended—

(1) in the matter preceding clause (i), by striking “2011” and inserting “2012”; and

(2) in each of clauses (i) and (ii), by striking “January 1, 2011” and inserting “January 1, 2012” each place it appears.

(b) AIR AMBULANCE.—Section 146(b)(1) of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110-275), as amended by sections 3105(b) and 10311(b) of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended by striking “December 31, 2010” and inserting “December 31, 2011”.

(c) SUPER RURAL AMBULANCE.—Section 1834(l)(12)(A) of the Social Security Act (42 U.S.C. 1395m(l)(12)(A)), as amended by sections 3105(c) and 10311(c) of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended by striking “2011” and inserting “2012”.

###### SEC. 526. EXTENSION OF PHYSICIAN FEE SCHEDULE MENTAL HEALTH ADD-ON PAYMENT.

Section 138(a)(1) of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110-275), as amended by section 3107 of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended by striking “December 31, 2010” and inserting “December 31, 2011”.

###### SEC. 527. EXTENSION OF OUTPATIENT HOLD HARMLESS PROVISION.

Section 1833(t)(7)(D)(i) of the Social Security Act (42 U.S.C. 1395l(t)(7)(D)(i)), as amended by section 3121(a) of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended—

(1) in subclause (II)—

(A) in the first sentence, by striking “2011” and inserting “2012”; and

(B) in the second sentence, by striking “or 2010” and inserting “2010, or 2011”; and

(2) in subclause (III), by striking “January 1, 2011” and inserting “January 1, 2012”.

###### SEC. 528. EXTENSION OF MEDICARE REASONABLE COSTS PAYMENTS FOR CERTAIN CLINICAL DIAGNOSTIC LABORATORY TESTS FURNISHED TO HOSPITAL PATIENTS IN CERTAIN RURAL AREAS.

Section 416(b) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (42 U.S.C. 1395l-4), as amended by section 105 of division B of the Tax Relief and Health Care Act of 2006 (42 U.S.C. 1395l note), section 107 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (42 U.S.C. 1395l note), and section 3122 of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended by striking “the 1-year period beginning on July 1, 2010” and inserting “the 2-year period beginning on July 1, 2010”.



**SEC. 529. EXTENSION OF THE QUALIFYING INDIVIDUAL (QI) PROGRAM.**

(a) EXTENSION.—Section 1902(a)(10)(E)(iv) of the Social Security Act (42 U.S.C. 1396a(a)(10)(E)(iv)) is amended by striking “December 2010” and inserting “December 2011”.

(b) EXTENDING TOTAL AMOUNT AVAILABLE FOR ALLOCATION.—Section 1933(g) of such Act (42 U.S.C. 1396u-3(g)) is amended—

(1) in paragraph (2)—

(A) by striking “and” at the end of subparagraph (M);

(B) in subparagraph (N), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

“(O) for the period that begins on January 1, 2011, and ends on September 30, 2011, the total allocation amount is \$720,000,000; and

“(P) for the period that begins on October 1, 2011, and ends on December 31, 2011, the total allocation amount is \$280,000,000.”; and

(2) in paragraph (3), in the matter preceding subparagraph (A), by striking “or (N)” and inserting “(N), or (P)”.

**SEC. 530. EXTENSION OF TRANSITIONAL MEDICAL ASSISTANCE (TMA).**

Sections 1902(e)(1)(B) and 1925(f) of the Social Security Act (42 U.S.C. 1396a(e)(1)(B), 1396r-6(f)) are each amended by striking “December 31, 2010” and inserting “December 31, 2011”.

**SEC. 531. EXTENSION OF DRA COURT IMPROVEMENT GRANTS.**

Section 438 of the Social Security Act (42 U.S.C. 629h) is amended—

(1) in subsection (c)(2)(A), by striking “2010” and inserting “2011”; and

(2) in subsection (e), by striking “2010” and inserting “2011”.

**PART III—CHANGES TO THE PATIENT PROTECTION AND AFFORDABLE CARE ACT AND ADDITIONAL PROVISIONS****Subpart A—Changes to the Patient Protection and Affordable Care Act and Additional Provisions****SEC. 541. EXPANSION OF AFFORDABILITY EXCEPTION TO INDIVIDUAL MANDATE.**

Section 5000A(e)(1)(A) of the Internal Revenue Code of 1986, as added by section 1501(b) of the Patient Protection and Affordable Care Act (Public Law 111-148), is amended by striking “8 percent” and inserting “5 percent”.

**SEC. 542. REPLACEMENT OF MEDICAID PRIMARY CARE PAYMENT CLIFF.**

(a) PAYMENTS TO PRIMARY CARE PROVIDERS.—

(1) GRANTS TO STATES TO INCREASE PAYMENTS.—From the amounts appropriated under paragraph (2), the Secretary of Health and Human Services shall award grants to States with an approved State plan amendment under the Medicaid program under title XIX of the Social Security Act to permanently increase payment rates to primary care providers under the State Medicaid program above the rates applicable under the State Medicaid program on the date of enactment of this Act. Funds paid to a State from such a grant shall only be used for expenditures attributable to the additional amounts paid to such providers as a result of the increase in such rates.

(2) APPROPRIATION.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to the Secretary of Health and Human Services on January 1, 2013, \$8,000,000,000, to remain available until expended.

(b) REPEAL OF MEDICAID PRIMARY CARE PAYMENT CLIFF.—Section 1202 of the Health Care and Education Reconciliation Act of 2010 (Public Law 111-152) (and the amendments made by such section) is repealed.

**SEC. 543. ESTABLISH A CMS-IRS DATA MATCH TO IDENTIFY FRAUDULENT PROVIDERS.**

(a) AUTHORITY TO DISCLOSE RETURN INFORMATION CONCERNING OUTSTANDING TAX DEBTS FOR PURPOSES OF ENHANCING MEDICARE PROGRAM INTEGRITY.—

(1) IN GENERAL.—Section 6103(1) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(22) DISCLOSURE OF RETURN INFORMATION TO DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR PURPOSES OF ENHANCING MEDICARE PROGRAM INTEGRITY.—

“(A) IN GENERAL.—The Secretary shall, upon written request from the Secretary of Health and Human Services, disclose to officers and employees of the Department of Health and Human Services return information with respect to a taxpayer who has applied to enroll, or reenroll, as a provider of services or supplier under the Medicare program under title XVIII of the Social Security Act. Such return information shall be limited to—

“(i) the taxpayer identity information with respect to such taxpayer;

“(ii) the amount of the delinquent tax debt owed by that taxpayer; and

“(iii) the taxable year to which the delinquent tax debt pertains.

“(B) RESTRICTION ON DISCLOSURE.—Return information disclosed under subparagraph (A) may be used by officers and employees of the Department of Health and Human Services for the purposes of, and to the extent necessary in, establishing the taxpayer's eligibility for enrollment or reenrollment in the Medicare program, or in any administrative or judicial proceeding relating to, or arising from, a denial of such enrollment or reenrollment, or in determining the level of enhanced oversight to be applied with respect to such taxpayer pursuant to section 1866(j)(3) of the Social Security Act.

“(C) DELINQUENT TAX DEBT.—For purposes of this paragraph, the term ‘delinquent tax debt’ means an outstanding debt under this title for which a notice of lien has been filed pursuant to section 6323, but the term does not include a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or 7122, or a debt with respect to which a collection due process hearing under section 6330 is requested, pending, or completed and no payment is required.”.

(2) CONFORMING AMENDMENTS.—Section 6103(p)(4) of such Code, as amended by sections 1414 and 3308 of Public Law 111-148, in the matter preceding subparagraph (A) and in subparagraph (F)(ii), is amended by striking “or (17)” and inserting “(17), or (22)” each place it appears.

(b) SECRETARY'S AUTHORITY TO USE INFORMATION FROM THE DEPARTMENT OF TREASURY IN MEDICARE ENROLLMENTS AND REENROLLMENTS.—Section 1866(j)(2) of the Social Security Act (42 U.S.C. 1395cc(j)), as inserted by section 6401(a) of Public Law 111-148, is further amended—

(1) by redesignating subparagraph (E) as subparagraph (F); and

(2) by inserting after subparagraph (D) the following new subparagraph:

“(E) USE OF INFORMATION FROM THE DEPARTMENT OF TREASURY CONCERNING TAX DEBTS.—In reviewing the application of a provider of services or supplier to enroll or reenroll under the program under this title, the Secretary shall take into account the information supplied by the Secretary of the Treasury pursuant to section 6103(1)(22) of the Internal Revenue Code of 1986, in determining whether to deny such application or to apply enhanced oversight to such provider of services or supplier pursuant to paragraph (3) if the Secretary determines such provider of services or supplier owes such a debt.”.

(c) AUTHORITY TO ADJUST PAYMENTS OF PROVIDERS OF SERVICES AND SUPPLIERS WITH THE SAME TAX IDENTIFICATION NUMBER FOR MEDICARE OBLIGATIONS.—Section 1866(j)(6) of the Social Security Act (42 U.S.C. 1395cc(j)(6)), as inserted by section 6401(a) of Public Law 111-148, is amended—

(1) in the paragraph heading, by striking “PAST-DUE” and inserting “MEDICARE”;

(2) in subparagraph (A), by striking “past-due obligations described in subparagraph (B)(ii) of an” and inserting “amount described in subparagraph (B)(ii) due from such”; and

(3) in subparagraph (B)(ii), by striking “a past-due obligation” and inserting “an amount that is more than the amount required to be paid”.

**SEC. 544. FUNDING FOR CLAIMS REPROCESSING.**

For purposes of carrying out the provisions of, and amendments made by, this Act that relate to title XVIII of the Social Security Act, and other provisions of such title that involve reprocessing of claims, there are appropriated to the Secretary of Health and Human Services for the Centers for Medicare & Medicaid Services Program Management Account, from amounts in the general fund of the Treasury not otherwise appropriated, \$175,000,000. Amounts appropriated under the preceding sentence shall remain available until expended.

**Subpart B—Medical Liability Reform****SEC. 551. SHORT TITLE.**

This subpart may be cited as the “Medical Care Access Protection Act of 2010” or the “MCAP Act”.

**SEC. 552. FINDINGS AND PURPOSE.**

(a) FINDINGS.—

(1) EFFECT ON HEALTH CARE ACCESS AND COSTS.—Congress finds that our current civil justice system is adversely affecting patient access to health care services, better patient care, and cost-efficient health care, in that the health care liability system is a costly and ineffective mechanism for resolving claims of health care liability and compensating injured patients, and is a deterrent to the sharing of information among health care professionals which impedes efforts to improve patient safety and quality of care.

(2) EFFECT ON INTERSTATE COMMERCE.—Congress finds that the health care and insurance industries are industries affecting interstate commerce and the health care liability litigation systems existing throughout the United States are activities that affect interstate commerce by contributing to the high costs of health care and premiums for health care liability insurance purchased by health care system providers.

(3) EFFECT ON FEDERAL SPENDING.—Congress finds that the health care liability litigation systems existing throughout the United States have a significant effect on the amount, distribution, and use of Federal funds because of—

(A) the large number of individuals who receive health care benefits under programs operated or financed by the Federal Government;

(B) the large number of individuals who benefit because of the exclusion from Federal taxes of the amounts spent to provide them with health insurance benefits; and

(C) the large number of health care providers who provide items or services for which the Federal Government makes payments.

(b) PURPOSE.—It is the purpose of this subpart to implement reasonable, comprehensive, and effective health care liability reforms designed to—

(1) improve the availability of health care services in cases in which health care liability actions have been shown to be a factor in the decreased availability of services;

(2) reduce the incidence of “defensive medicine” and lower the cost of health care liability insurance, all of which contribute to the escalation of health care costs;

(3) ensure that persons with meritorious health care injury claims receive fair and adequate compensation, including reasonable noneconomic damages;

(4) improve the fairness and cost-effectiveness of our current health care liability system to resolve disputes over, and provide compensation for, health care liability by reducing uncertainty in the amount of compensation provided to injured individuals; and

(5) provide an increased sharing of information in the health care system which will reduce unintended injury and improve patient care.

#### SEC. 553. DEFINITIONS.

In this subpart:

(1) **ALTERNATIVE DISPUTE RESOLUTION SYSTEM; ADR.**—The term “alternative dispute resolution system” or “ADR” means a system that provides for the resolution of health care lawsuits in a manner other than through a civil action brought in a State or Federal court.

(2) **CLAIMANT.**—The term “claimant” means any person who brings a health care lawsuit, including a person who asserts or claims a right to legal or equitable contribution, indemnity or subrogation, arising out of a health care liability claim or action, and any person on whose behalf such a claim is asserted or such an action is brought, whether deceased, incompetent, or a minor.

(3) **COLLATERAL SOURCE BENEFITS.**—The term “collateral source benefits” means any amount paid or reasonably likely to be paid in the future to or on behalf of the claimant, or any service, product or other benefit provided or reasonably likely to be provided in the future to or on behalf of the claimant, as a result of the injury or wrongful death, pursuant to—

(A) any State or Federal health, sickness, income-disability, accident, or workers’ compensation law;

(B) any health, sickness, income-disability, or accident insurance that provides health benefits or income-disability coverage;

(C) any contract or agreement of any group, organization, partnership, or corporation to provide, pay for, or reimburse the cost of medical, hospital, dental, or income disability benefits; and

(D) any other publicly or privately funded program.

(4) **COMPENSATORY DAMAGES.**—The term “compensatory damages” means objectively verifiable monetary losses incurred as a result of the provision of, use of, or payment for (or failure to provide, use, or pay for) health care services or medical products, such as past and future medical expenses, loss of past and future earnings, cost of obtaining domestic services, loss of employment, and loss of business or employment opportunities, damages for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium (other than loss of domestic service), hedonic damages, injury to reputation, and all other nonpecuniary losses of any kind or nature. Such term includes economic damages and noneconomic damages, as such terms are defined in this section.

(5) **CONTINGENT FEE.**—The term “contingent fee” includes all compensation to any person or persons which is payable only if a recovery is effected on behalf of one or more claimants.

(6) **ECONOMIC DAMAGES.**—The term “economic damages” means objectively

verifiable monetary losses incurred as a result of the provision of, use of, or payment for (or failure to provide, use, or pay for) health care services or medical products, such as past and future medical expenses, loss of past and future earnings, cost of obtaining domestic services, loss of employment, and loss of business or employment opportunities.

(7) **HEALTH CARE GOODS OR SERVICES.**—The term “health care goods or services” means any goods or services provided by a health care institution, provider, or by any individual working under the supervision of a health care provider, that relates to the diagnosis, prevention, care, or treatment of any human disease or impairment, or the assessment of the health of human beings.

(8) **HEALTH CARE INSTITUTION.**—The term “health care institution” means any entity licensed under Federal or State law to provide health care services (including but not limited to ambulatory surgical centers, assisted living facilities, emergency medical services providers, hospices, hospitals and hospital systems, nursing homes, or other entities licensed to provide such services).

(9) **HEALTH CARE LAWSUIT.**—The term “health care lawsuit” means any health care liability claim concerning the provision of health care goods or services affecting interstate commerce, or any health care liability action concerning the provision of (or the failure to provide) health care goods or services affecting interstate commerce, brought in a State or Federal court or pursuant to an alternative dispute resolution system, against a health care provider or a health care institution regardless of the theory of liability on which the claim is based, or the number of claimants, plaintiffs, defendants, or other parties, or the number of claims or causes of action, in which the claimant alleges a health care liability claim.

(10) **HEALTH CARE LIABILITY ACTION.**—The term “health care liability action” means a civil action brought in a State or Federal Court or pursuant to an alternative dispute resolution system, against a health care provider or a health care institution regardless of the theory of liability on which the claim is based, or the number of plaintiffs, defendants, or other parties, or the number of causes of action, in which the claimant alleges a health care liability claim.

(11) **HEALTH CARE LIABILITY CLAIM.**—The term “health care liability claim” means a demand by any person, whether or not pursuant to ADR, against a health care provider or health care institution, including third-party claims, cross-claims, counter-claims, or contribution claims, which are based upon the provision of, use of, or payment for (or the failure to provide, use, or pay for) health care services, regardless of the theory of liability on which the claim is based, or the number of plaintiffs, defendants, or other parties, or the number of causes of action.

(12) **HEALTH CARE PROVIDER.**—

(A) **IN GENERAL.**—The term “health care provider” means any person (including but not limited to a physician (as defined by section 1861(r) of the Social Security Act (42 U.S.C. 1395x(r)), registered nurse, dentist, podiatrist, pharmacist, chiropractor, or optometrist) required by State or Federal law to be licensed, registered, or certified to provide health care services, and being either so licensed, registered, or certified, or exempted from such requirement by other statute or regulation.

(B) **TREATMENT OF CERTAIN PROFESSIONAL ASSOCIATIONS.**—For purposes of this subpart, a professional association that is organized under State law by an individual physician or group of physicians, a partnership or limited liability partnership formed by a group of physicians, a nonprofit health corporation

certified under State law, or a company formed by a group of physicians under State law shall be treated as a health care provider under subparagraph (A).

(13) **MALICIOUS INTENT TO INJURE.**—The term “malicious intent to injure” means intentionally causing or attempting to cause physical injury other than providing health care goods or services.

(14) **NONECONOMIC DAMAGES.**—The term “noneconomic damages” means damages for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium (other than loss of domestic service), hedonic damages, injury to reputation, and all other nonpecuniary losses of any kind or nature.

(15) **PUNITIVE DAMAGES.**—The term “punitive damages” means damages awarded, for the purpose of punishment or deterrence, and not solely for compensatory purposes, against a health care provider or health care institution. Punitive damages are neither economic nor noneconomic damages.

(16) **RECOVERY.**—The term “recovery” means the net sum recovered after deducting any disbursements or costs incurred in connection with prosecution or settlement of the claim, including all costs paid or advanced by any person. Costs of health care incurred by the plaintiff and the attorneys’ office overhead costs or charges for legal services are not deductible disbursements or costs for such purpose.

(17) **STATE.**—The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States, or any political subdivision thereof.

#### SEC. 554. ENCOURAGING SPEEDY RESOLUTION OF CLAIMS.

(a) **IN GENERAL.**—Except as otherwise provided for in this section, the time for the commencement of a health care lawsuit shall be 3 years after the date of manifestation of injury or 1 year after the claimant discovers, or through the use of reasonable diligence should have discovered, the injury, whichever occurs first.

(b) **GENERAL EXCEPTION.**—The time for the commencement of a health care lawsuit shall not exceed 3 years after the date of manifestation of injury unless the tolling of time was delayed as a result of—

(1) fraud;

(2) intentional concealment; or

(3) the presence of a foreign body, which has no therapeutic or diagnostic purpose or effect, in the person of the injured person.

(c) **MINORS.**—An action by a minor shall be commenced within 3 years from the date of the alleged manifestation of injury except that if such minor is under the full age of 6 years, such action shall be commenced within 3 years of the manifestation of injury, or prior to the eighth birthday of the minor, whichever provides a longer period. Such time limitation shall be tolled for minors for any period during which a parent or guardian and a health care provider or health care institution have committed fraud or collusion in the failure to bring an action on behalf of the injured minor.

(d) **RULE 11 SANCTIONS.**—Whenever a Federal or State court determines (whether by motion of the parties or whether on the motion of the court) that there has been a violation of Rule 11 of the Federal Rules of Civil Procedure (or a similar violation of applicable State court rules) in a health care liability action to which this subpart applies, the court shall impose upon the attorneys, law firms, or pro se litigants that have violated

Rule 11 or are responsible for the violation, an appropriate sanction, which shall include an order to pay the other party or parties for the reasonable expenses incurred as a direct result of the filing of the pleading, motion, or other paper that is the subject of the violation, including a reasonable attorneys' fee. Such sanction shall be sufficient to deter repetition of such conduct or comparable conduct by others similarly situated, and to compensate the party or parties injured by such conduct.

#### SEC. 555. COMPENSATING PATIENT INJURY.

(a) UNLIMITED AMOUNT OF DAMAGES FOR ACTUAL ECONOMIC LOSSES IN HEALTH CARE LAWSUITS.—In any health care lawsuit, nothing in this subpart shall limit the recovery by a claimant of the full amount of the available economic damages, notwithstanding the limitation contained in subsection (b).

##### (b) ADDITIONAL NONECONOMIC DAMAGES.—

(1) HEALTH CARE PROVIDERS.—In any health care lawsuit where final judgment is rendered against a health care provider, the amount of noneconomic damages recovered from the provider, if otherwise available under applicable Federal or State law, may be as much as \$250,000, regardless of the number of parties other than a health care institution against whom the action is brought or the number of separate claims or actions brought with respect to the same occurrence.

##### (2) HEALTH CARE INSTITUTIONS.—

(A) SINGLE INSTITUTION.—In any health care lawsuit where final judgment is rendered against a single health care institution, the amount of noneconomic damages recovered from the institution, if otherwise available under applicable Federal or State law, may be as much as \$250,000, regardless of the number of parties against whom the action is brought or the number of separate claims or actions brought with respect to the same occurrence.

(B) MULTIPLE INSTITUTIONS.—In any health care lawsuit where final judgment is rendered against more than one health care institution, the amount of noneconomic damages recovered from each institution, if otherwise available under applicable Federal or State law, may be as much as \$250,000, regardless of the number of parties against whom the action is brought or the number of separate claims or actions brought with respect to the same occurrence, except that the total amount recovered from all such institutions in such lawsuit shall not exceed \$500,000.

(c) NO DISCOUNT OF AWARD FOR NONECONOMIC DAMAGES.—In any health care lawsuit—

(1) an award for future noneconomic damages shall not be discounted to present value;

(2) the jury shall not be informed about the maximum award for noneconomic damages under subsection (b);

(3) an award for noneconomic damages in excess of the limitations provided for in subsection (b) shall be reduced either before the entry of judgment, or by amendment of the judgment after entry of judgment, and such reduction shall be made before accounting for any other reduction in damages required by law; and

(4) if separate awards are rendered for past and future noneconomic damages and the combined awards exceed the limitations described in subsection (b), the future noneconomic damages shall be reduced first.

(d) FAIR SHARE RULE.—In any health care lawsuit, each party shall be liable for that party's several share of any damages only and not for the share of any other person. Each party shall be liable only for the amount of damages allocated to such party in direct proportion to such party's percent-

age of responsibility. A separate judgment shall be rendered against each such party for the amount allocated to such party. For purposes of this section, the trier of fact shall determine the proportion of responsibility of each party for the claimant's harm.

#### SEC. 556. MAXIMIZING PATIENT RECOVERY.

(a) COURT SUPERVISION OF SHARE OF DAMAGES ACTUALLY PAID TO CLAIMANTS.—

(1) IN GENERAL.—In any health care lawsuit, the court shall supervise the arrangements for payment of damages to protect against conflicts of interest that may have the effect of reducing the amount of damages awarded that are actually paid to claimants.

##### (2) CONTINGENCY FEES.—

(A) IN GENERAL.—In any health care lawsuit in which the attorney for a party claims a financial stake in the outcome by virtue of a contingent fee, the court shall have the power to restrict the payment of a claimant's damage recovery to such attorney, and to redirect such damages to the claimant based upon the interests of justice and principles of equity.

(B) LIMITATION.—The total of all contingency fees for representing all claimants in a health care lawsuit shall not exceed the following limits:

(i) 40 percent of the first \$50,000 recovered by the claimant(s).

(ii) 33½ percent of the next \$50,000 recovered by the claimant(s).

(iii) 25 percent of the next \$500,000 recovered by the claimant(s).

(iv) 15 percent of any amount by which the recovery by the claimant(s) is in excess of \$600,000.

##### (b) APPLICABILITY.—

(1) IN GENERAL.—The limitations in subsection (a) shall apply whether the recovery is by judgment, settlement, mediation, arbitration, or any other form of alternative dispute resolution.

(2) MINORS.—In a health care lawsuit involving a minor or incompetent person, a court retains the authority to authorize or approve a fee that is less than the maximum permitted under this section.

##### (c) EXPERT WITNESSES.—

(1) REQUIREMENT.—No individual shall be qualified to testify as an expert witness concerning issues of negligence in any health care lawsuit against a defendant unless such individual—

(A) except as required under paragraph (2), is a health care professional who—

(i) is appropriately credentialed or licensed in 1 or more States to deliver health care services; and

(ii) typically treats the diagnosis or condition or provides the type of treatment under review; and

(B) can demonstrate by competent evidence that, as a result of training, education, knowledge, and experience in the evaluation, diagnosis, and treatment of the disease or injury which is the subject matter of the lawsuit against the defendant, the individual was substantially familiar with applicable standards of care and practice as they relate to the act or omission which is the subject of the lawsuit on the date of the incident.

(2) PHYSICIAN REVIEW.—In a health care lawsuit, if the claim of the plaintiff involved treatment that is recommended or provided by a physician (allopathic or osteopathic), an individual shall not be qualified to be an expert witness under this subsection with respect to issues of negligence concerning such treatment unless such individual is a physician.

(3) SPECIALTIES AND SUBSPECIALTIES.—With respect to a lawsuit described in paragraph (1), a court shall not permit an expert in one medical specialty or subspecialty to testify against a defendant in another medical spe-

cialty or subspecialty unless, in addition to a showing of substantial familiarity in accordance with paragraph (1)(B), there is a showing that the standards of care and practice in the two specialty or subspecialty fields are similar.

(4) LIMITATION.—The limitations in this subsection shall not apply to expert witnesses testifying as to the degree or permanency of medical or physical impairment.

#### SEC. 557. ADDITIONAL HEALTH BENEFITS.

(a) IN GENERAL.—The amount of any damages received by a claimant in any health care lawsuit shall be reduced by the court by the amount of any collateral source benefits to which the claimant is entitled, less any insurance premiums or other payments made by the claimant (or by the spouse, parent, child, or legal guardian of the claimant) to obtain or secure such benefits.

(b) PRESERVATION OF CURRENT LAW.—Where a payor of collateral source benefits has a right of recovery by reimbursement or subrogation and such right is permitted under Federal or State law, subsection (a) shall not apply.

(c) APPLICATION OF PROVISION.—This section shall apply to any health care lawsuit that is settled or resolved by a fact finder.

#### SEC. 558. PUNITIVE DAMAGES.

(a) PUNITIVE DAMAGES PERMITTED.—

(1) IN GENERAL.—Punitive damages may, if otherwise available under applicable State or Federal law, be awarded against any person in a health care lawsuit only if it is proven by clear and convincing evidence that such person acted with malicious intent to injure the claimant, or that such person deliberately failed to avoid unnecessary injury that such person knew the claimant was substantially certain to suffer.

(2) FILING OF LAWSUIT.—No demand for punitive damages shall be included in a health care lawsuit as initially filed. A court may allow a claimant to file an amended pleading for punitive damages only upon a motion by the claimant and after a finding by the court, upon review of supporting and opposing affidavits or after a hearing, after weighing the evidence, that the claimant has established by a substantial probability that the claimant will prevail on the claim for punitive damages.

(3) SEPARATE PROCEEDING.—At the request of any party in a health care lawsuit, the trier of fact shall consider in a separate proceeding—

(A) whether punitive damages are to be awarded and the amount of such award; and

(B) the amount of punitive damages following a determination of punitive liability.

If a separate proceeding is requested, evidence relevant only to the claim for punitive damages, as determined by applicable State law, shall be inadmissible in any proceeding to determine whether compensatory damages are to be awarded.

(4) LIMITATION WHERE NO COMPENSATORY DAMAGES ARE AWARDED.—In any health care lawsuit where no judgment for compensatory damages is rendered against a person, no punitive damages may be awarded with respect to the claim in such lawsuit against such person.

(b) DETERMINING AMOUNT OF PUNITIVE DAMAGES.—

(1) FACTORS CONSIDERED.—In determining the amount of punitive damages under this section, the trier of fact shall consider only the following:

(A) the severity of the harm caused by the conduct of such party;

(B) the duration of the conduct or any concealment of it by such party;

(C) the profitability of the conduct to such party;

(D) the number of products sold or medical procedures rendered for compensation, as the

case may be, by such party, of the kind causing the harm complained of by the claimant;

(E) any criminal penalties imposed on such party, as a result of the conduct complained of by the claimant; and

(F) the amount of any civil fines assessed against such party as a result of the conduct complained of by the claimant.

(2) **MAXIMUM AWARD.**—The amount of punitive damages awarded in a health care lawsuit may not exceed an amount equal to two times the amount of economic damages awarded in the lawsuit or \$250,000, whichever is greater. The jury shall not be informed of the limitation under the preceding sentence.

(C) **LIABILITY OF HEALTH CARE PROVIDERS.**—

(1) **IN GENERAL.**—A health care provider who prescribes, or who dispenses pursuant to a prescription, a drug, biological product, or medical device approved by the Food and Drug Administration, for an approved indication of the drug, biological product, or medical device, shall not be named as a party to a product liability lawsuit invoking such drug, biological product, or medical device and shall not be liable to a claimant in a class action lawsuit against the manufacturer, distributor, or product seller of such drug, biological product, or medical device.

(2) **MEDICAL PRODUCT.**—The term “medical product” means a drug or device intended for humans. The terms “drug” and “device” have the meanings given such terms in sections 201(g)(1) and 201(h) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 321), respectively, including any component or raw material used therein, but excluding health care services.

#### **SEC. 559. AUTHORIZATION OF PAYMENT OF FUTURE DAMAGES TO CLAIMANTS IN HEALTH CARE LAWSUITS.**

(a) **IN GENERAL.**—In any health care lawsuit, if an award of future damages, without reduction to present value, equaling or exceeding \$50,000 is made against a party with sufficient insurance or other assets to fund a periodic payment of such a judgment, the court shall, at the request of any party, enter a judgment ordering that the future damages be paid by periodic payments in accordance with the Uniform Periodic Payment of Judgments Act promulgated by the National Conference of Commissioners on Uniform State Laws.

(b) **APPLICABILITY.**—This section applies to all actions which have not been first set for trial or retrial before the effective date of this subpart.

#### **SEC. 560. EFFECT ON OTHER LAWS.**

(a) **GENERAL VACCINE INJURY.**—

(1) **IN GENERAL.**—To the extent that title XXI of the Public Health Service Act establishes a Federal rule of law applicable to a civil action brought for a vaccine-related injury or death—

(A) this subpart shall not affect the application of the rule of law to such an action; and

(B) any rule of law prescribed by this subpart in conflict with a rule of law of such title XXI shall not apply to such action.

(2) **EXCEPTION.**—If there is an aspect of a civil action brought for a vaccine-related injury or death to which a Federal rule of law under title XXI of the Public Health Service Act does not apply, then this subpart or otherwise applicable law (as determined under this subpart) will apply to such aspect of such action.

(b) **SMALLPOX VACCINE INJURY.**—

(1) **IN GENERAL.**—To the extent that part C of title II of the Public Health Service Act establishes a Federal rule of law applicable to a civil action brought for a smallpox vaccine-related injury or death—

(A) this subpart shall not affect the application of the rule of law to such an action; and

(B) any rule of law prescribed by this subpart in conflict with a rule of law of such part C shall not apply to such action.

(2) **EXCEPTION.**—If there is an aspect of a civil action brought for a smallpox vaccine-related injury or death to which a Federal rule of law under part C of title II of the Public Health Service Act does not apply, then this subpart or otherwise applicable law (as determined under this subpart) will apply to such aspect of such action.

(c) **OTHER FEDERAL LAWS.**—Except as provided in this section, nothing in this subpart shall be deemed to affect any defense available, or any limitation on liability that applies to, a defendant in a health care lawsuit or action under any other provision of Federal law.

#### **SEC. 561. STATE FLEXIBILITY AND PROTECTION OF STATES' RIGHTS.**

(a) **HEALTH CARE LAWSUITS.**—The provisions governing health care lawsuits set forth in this subpart shall preempt, subject to subsections (b) and (c), State law to the extent that State law prevents the application of any provisions of law established by or under this subpart. The provisions governing health care lawsuits set forth in this subpart supersede chapter 171 of title 28, United States Code, to the extent that such chapter—

(1) provides for a greater amount of damages or contingent fees, a longer period in which a health care lawsuit may be commenced, or a reduced applicability or scope of periodic payment of future damages, than provided in this subpart; or

(2) prohibits the introduction of evidence regarding collateral source benefits.

(b) **PREEMPTION OF CERTAIN STATE LAWS.**—No provision of this subpart shall be construed to preempt any State law (whether effective before, on, or after the date of the enactment of this subpart) that specifies a particular monetary amount of compensatory or punitive damages (or the total amount of damages) that may be awarded in a health care lawsuit, regardless of whether such monetary amount is greater or lesser than is provided for under this subpart, notwithstanding section 555(a).

(c) **PROTECTION OF STATE'S RIGHTS AND OTHER LAWS.**—

(1) **IN GENERAL.**—Any issue that is not governed by a provision of law established by or under this subpart (including the State standards of negligence) shall be governed by otherwise applicable Federal or State law.

(2) **RULE OF CONSTRUCTION.**—Nothing in this subpart shall be construed to—

(A) preempt or supersede any Federal or State law that imposes greater procedural or substantive protections (such as a shorter statute of limitations) for a health care provider or health care institution from liability, loss, or damages than those provided by this subpart;

(B) preempt or supercede any State law that permits and provides for the enforcement of any arbitration agreement related to a health care liability claim whether enacted prior to or after the date of enactment of this subpart;

(C) create a cause of action that is not otherwise available under Federal or State law; or

(D) affect the scope of preemption of any other Federal law.

#### **SEC. 562. APPLICABILITY; EFFECTIVE DATE.**

This subpart shall apply to any health care lawsuit brought in a Federal or State court, or subject to an alternative dispute resolution system, that is initiated on or after the date of the enactment of this subpart, except that any health care lawsuit arising from an injury occurring prior to the date of enactment of this subpart shall be governed by the

applicable statute of limitations provisions in effect at the time the injury occurred.

### **TITLE VI—OTHER PROVISIONS**

#### **SEC. 601. EXTENSION OF NATIONAL FLOOD INSURANCE PROGRAM.**

(a) **EXTENSION.**—Section 129 of the Continuing Appropriations Resolution, 2010 (Public Law 111-68), as amended by section 7(a) of Public Law 111-157, is amended by striking “by substituting” and all that follows through the period at the end, and inserting “by substituting December 31, 2010, for the date specified in each such section.”.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall be considered to have taken effect on May 31, 2010.

#### **SEC. 602. SMALL BUSINESS LOAN GUARANTEE ENHANCEMENT EXTENSIONS.**

(a) **APPROPRIATION.**—There is appropriated, out of any funds in the Treasury not otherwise appropriated, for an additional amount for “Small Business Administration—Business Loans Program Account”, \$505,000,000, to remain available through December 31, 2010, for the cost of—

(1) fee reductions and eliminations under section 501 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151), as amended by this section; and

(2) loan guarantees under section 502 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 152), as amended by this section.

Such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

(b) **EXTENSION OF PROGRAMS.**—

(1) **FEES.**—Section 501 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 151) is amended by striking “September 30, 2010” each place it appears and inserting “December 31, 2010”.

(2) **LOAN GUARANTEES.**—Section 502(f) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 153) is amended by striking “May 31, 2010” and inserting “December 31, 2010”.

(c) **APPROPRIATION.**—There is appropriated for an additional amount, out of any funds in the Treasury not otherwise appropriated, for administrative expenses to carry out sections 501 and 502 of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), \$5,000,000, to remain available until expended, which may be transferred and merged with the appropriation for “Small Business Administration—Salaries and Expenses”.

#### **SEC. 603. SUMMER EMPLOYMENT FOR YOUTH.**

There is appropriated, out of any funds in the Treasury not otherwise appropriated, for an additional amount for “Department of Labor—Employment and Training Administration—Training and Employment Services” for activities under the Workforce Investment Act of 1998 (“WIA”), \$1,000,000,000 shall be available for obligation on the date of enactment of this Act for grants to States for youth activities, including summer employment for youth: *Provided*, That no portion of such funds shall be reserved to carry out section 127(b)(1)(A) of the WIA: *Provided further*, That for purposes of section 127(b)(1)(C)(iv) of the WIA, funds available for youth activities shall be allotted as if the total amount available for youth activities in the fiscal year does not exceed \$1,000,000,000: *Provided further*, That with respect to the youth activities provided with such funds, section 101(13)(A) of the WIA shall be applied by substituting “age 24” for “age 21”: *Provided further*, That the work readiness performance indicator described in section 136(b)(2)(A)(ii)(I) of the WIA shall be

the only measure of performance used to assess the effectiveness of summer employment for youth provided with such funds: *Provided further*, That an amount that is not more than 1 percent of such amount may be used for the administration, management, and oversight of the programs, activities, and grants carried out with such funds, including the evaluation of the use of such funds: *Provided further*, That funds available under the preceding proviso, together with funds described in section 801(a) of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), and funds provided in such Act under the heading "Department of Labor-Departmental Management-Salaries and Expenses", shall remain available for obligation through September 30, 2011.

**SEC. 604. EXPANSION OF ELIGIBILITY FOR CONCURRENT RECEIPT OF MILITARY RETIRED PAY AND VETERANS' DISABILITY COMPENSATION TO INCLUDE ALL CHAPTER 61 DISABILITY RETIREES REGARDLESS OF DISABILITY RATING PERCENTAGE OR YEARS OF SERVICE.**

(a) PHASED EXPANSION CONCURRENT RECEIPT.—Subsection (a) of section 1414 of title 10, United States Code, is amended to read as follows:

“(a) PAYMENT OF BOTH RETIRED PAY AND DISABILITY COMPENSATION.—

“(1) PAYMENT OF BOTH REQUIRED.—

“(A) IN GENERAL.—Subject to subsection (b), a member or former member of the uniformed services who is entitled for any month to retired pay and who is also entitled for that month to veterans' disability compensation for a qualifying service-connected disability (in this section referred to as a 'qualified retiree') is entitled to be paid both for that month without regard to sections 5304 and 5305 of title 38.

“(B) APPLICABILITY OF FULL CONCURRENT RECEIPT PHASE-IN REQUIREMENT.—During the period beginning on January 1, 2004, and ending on December 31, 2013, payment of retired pay to a qualified retiree is subject to subsection (c).

“(C) PHASE-IN EXCEPTION FOR 100 PERCENT DISABLED RETIREES.—The payment of retired pay is subject to subsection (c) only during the period beginning on January 1, 2004, and ending on December 31, 2004, in the case of the following qualified retirees:

“(i) A qualified retiree receiving veterans' disability compensation for a disability rated as 100 percent.

“(ii) A qualified retiree receiving veterans' disability compensation at the rate payable for a 100 percent disability by reason of a determination of individual unemployability.

“(D) TEMPORARY PHASE-IN EXCEPTION FOR CERTAIN CHAPTER 61 DISABILITY RETIREES; TERMINATION.—Subject to subsection (b), during the period beginning on January 1, 2011, and ending on September 30, 2012, subsection (c) shall not apply to a qualified retiree described in subparagraph (B) or (C) of paragraph (2).

“(2) QUALIFYING SERVICE-CONNECTED DISABILITY DEFINED.—In this section:

“(A) 50 PERCENT RATING THRESHOLD.—In the case of a member or former member receiving retired pay under any provision of law other than chapter 61 of this title, or under chapter 61 with 20 years or more of service otherwise creditable under section 1405 or computed under section 12732 of this title, the term 'qualifying service-connected disability' means a service-connected disability or combination of service-connected disabilities that is rated as not less than 50 percent disabling by the Secretary of Veterans Affairs. However, during the period specified in paragraph (1)(D), members or former members receiving retired pay under chapter 61

with 20 years or more of creditable service computed under section 12732 of this title, but not otherwise entitled to retired pay under any other provision of this title, shall qualify in accordance with subparagraphs (B) and (C).

“(B) INCLUSION OF MEMBERS NOT OTHERWISE ENTITLED TO RETIRED PAY.—In the case of a member or former member receiving retired pay under chapter 61 of this title, but who is not otherwise entitled to retired pay under any other provision of this title, the term 'qualifying service-connected disability' means a service-connected disability or combination of service-connected disabilities that is rated by the Secretary of Veterans Affairs at the disabling level specified in one of the following clauses (which, subject to paragraph (3), is effective on or after the date specified in the applicable clause):

“(i) January 1, 2011, rated 100 percent, or a rate payable at 100 percent by reason of individual unemployability or rated 90 percent.

“(ii) January 1, 2012, rated 80 percent or 70 percent.

“(iii) January 1, 2013, rated 60 percent or 50 percent.

“(C) ELIMINATION OF RATING THRESHOLD.—In the case of a member or former member receiving retired pay under chapter 61 regardless of being otherwise eligible for retirement, the term 'qualifying service-connected disability' means a service-connected disability or combination of service-connected disabilities that is rated by the Secretary of Veterans Affairs at the disabling level specified in one of the following clauses (which, subject to paragraph (3), is effective on or after the date specified in the applicable clause):

“(i) January 1, 2014, rated 40 percent or 30 percent.

“(ii) January 1, 2015, any rating.

“(3) LIMITED DURATION.—Notwithstanding the effective date specified in each clause of subparagraphs (B) and (C) of paragraph (2), the clause—

“(A) shall apply only if the termination date specified in paragraph (1)(D) would occur during or after the calendar year specified in the clause; and

“(B) shall not apply beyond the termination date specified in paragraph (1)(D).”.

(b) CONFORMING AMENDMENT TO SPECIAL RULES FOR CHAPTER 61 DISABILITY RETIREES.—Subsection (b) of such section is amended to read as follows:

“(b) SPECIAL RULES FOR CHAPTER 61 DISABILITY RETIREES WHEN ELIGIBILITY HAS BEEN ESTABLISHED FOR SUCH RETIREES.—

“(1) GENERAL REDUCTION RULE.—The retired pay of a member retired under chapter 61 of this title is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that the amount of the members retired pay under chapter 61 of this title exceeds the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member's service in the uniformed services if the member had not been retired under chapter 61 of this title.

“(2) CHAPTER 61 RETIREES NOT OTHERWISE ENTITLED TO RETIRED PAY.—

“(A) BEFORE TERMINATION DATE.—If a member with a qualifying service-connected disability (as defined in subsection (a)(2)) is retired under chapter 61 of this title, but is not otherwise entitled to retired pay under any other provision of this title, and the termination date specified in subsection (a)(1)(D) has not occurred, the retired pay of the member is subject to reduction under sections 5304 and 5305 of title 38, but only to the extent that the amount of the member's retired pay under chapter 61 of this title exceeds the amount equal to 2½ percent of the member's years of creditable service multi-

plied by the member's retired pay base under section 1406(b)(1) or 1407 of this title, whichever is applicable to the member.

“(B) AFTER TERMINATION DATE.—Subsection (a) does not apply to a member described in subparagraph (A) if the termination date specified in subsection (a)(1)(D) has occurred.”.

(c) CONFORMING AMENDMENT TO FULL CONCURRENT RECEIPT PHASE-IN.—Subsection (c) of such section is amended by striking “the second sentence of”.

(d) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended to read as follows:

**“§ 1414. Concurrent receipt of retired pay and veterans' disability compensation”.**

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 71 of such title is amended by striking the item related to section 1414 and inserting the following new item:

“1414. Concurrent receipt of retired pay and veterans' disability compensation.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2011.

**SEC. 605. EXTENSION OF USE OF 2009 POVERTY GUIDELINES.**

Section 1012 of the Department of Defense Appropriations Act, 2010 (Public Law 111-118), as amended by section 6 of the Continuing Extension Act of 2010 (Public Law 111-157), is amended—

(1) by striking “before May 31, 2010”; and

(2) by inserting “for 2011” after “until updated poverty guidelines”.

**SEC. 606. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.**

(a) IN GENERAL.—Subchapter A of chapter 65 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.**

“(a) IN GENERAL.—Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds.

“(b) TERMINATION.—Subsection (a) shall not apply to any amount received after December 31, 2010.”.

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter is amended by adding at the end the following new item:

“Sec. 6409. Refunds disregarded in the administration of Federal programs and federally assisted programs.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 2009.

**SEC. 607. ARRA PLANNING AND REPORTING.**

Section 1512 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5; 123 Stat. 287) is amended—

(1) in subsection (d)—

(A) in the subsection heading, by inserting “PLANS AND” after “AGENCY”;

(B) by striking “Not later than” and inserting the following:

“(1) DEFINITION.—In this subsection, the term ‘covered program’ means a program for which funds are appropriated under this division—

“(A) in an amount that is—

“(i) more than \$2,000,000,000; and

“(ii) more than 150 percent of the funds appropriated for the program for fiscal year 2008; or

“(B) that did not exist before the date of enactment of this Act.

“(2) PLANS.—Not later than July 1, 2010, the head of each agency that distributes recovery funds shall submit to Congress and make available on the website of the agency a plan for each covered program, which shall, at a minimum, contain—

“(A) a description of the goals for the covered program using recovery funds;

“(B) a discussion of how the goals described in subparagraph (A) relate to the goals for ongoing activities of the covered program, if applicable;

“(C) a description of the activities that the agency will undertake to achieve the goals described in subparagraph (A);

“(D) a description of the total recovery funding for the covered program and the recovery funding for each activity under the covered program, including identifying whether the activity will be carried out using grants, contracts, or other types of funding mechanisms;

“(E) a schedule of milestones for major phases of the activities under the covered program, with planned delivery dates;

“(F) performance measures the agency will use to track the progress of each of the activities under the covered program in meeting the goals described in subparagraph (A), including performance targets, the frequency of measurement, and a description of the methodology for each measure;

“(G) a description of the process of the agency for the periodic review of the progress of the covered program towards meeting the goals described in subparagraph (A); and

“(H) a description of how the agency will hold program managers accountable for achieving the goals described in subparagraph (A).

“(3) REPORTS.—

“(A) IN GENERAL.—Not later than”;

(C) by adding at the end the following:

“(B) REPORTS ON PLANS.—Not later than 30 days after the end of the calendar quarter ending September 30, 2010, and every calendar quarter thereafter during which the agency obligates or expends recovery funds, the head of each agency that developed a plan for a covered program under paragraph (2) shall submit to Congress and make available on a website of the agency a report for each covered program that—

“(i) discusses the progress of the agency in implementing the plan;

“(ii) describes the progress towards achieving the goals described in paragraph (2)(A) for the covered program;

“(iii) discusses the status of each activity carried out under the covered program, including whether the activity is completed;

“(iv) details the unobligated and unexpired balances and total obligations and outlays under the covered program;

“(v) discusses—

“(I) whether the covered program has met the milestones for the covered program described in paragraph (2)(E);

“(II) if the covered program has failed to meet the milestones, the reasons why; and

“(III) any changes in the milestones for the covered program, including the reasons for the change;

“(vi) discusses the performance of the covered program, including—

“(I) whether the covered program has met the performance measures for the covered program described in paragraph (2)(F);

“(II) if the covered program has failed to meet the performance measures, the reasons why; and

“(III) any trends in information relating to the performance of the covered program; and

“(vii) evaluates the ability of the covered program to meet the goals of the covered program given the performance of the covered program.”;

(2) in subsection (f)—

(A) by striking “Within 180 days” and inserting the following:

“(1) IN GENERAL.—Within 180 days”; and

(B) by adding at the end the following:

“(2) PENALTIES.—

“(A) IN GENERAL.—Subject to subparagraphs (B), (C), and (D), the Attorney General may bring a civil action in an appropriate United States district court against a recipient of recovery funds from an agency that does not provide the information required under subsection (c) or knowingly provides information under subsection (c) that contains a material omission or misstatement. In a civil action under this paragraph, the court may impose a civil penalty on a recipient of recovery funds in an amount not more than \$250,000. Any amounts received from a civil penalty under this paragraph shall be deposited in the general fund of the Treasury.

“(B) NOTIFICATION.—

“(i) IN GENERAL.—The head of an agency shall provide a written notification to a recipient of recovery funds from the agency that fails to provide the information required under subsection (c). A notification under this subparagraph shall provide the recipient with information on how to comply with the necessary reporting requirements and notice of the penalties for failing to do so.

“(ii) LIMITATION.—A court may not impose a civil penalty under subparagraph (A) relating to the failure to provide information required under subsection (c) if, not later than 31 days after the date of the notification under clause (i), the recipient of the recovery funds provides the information.

“(C) CONSIDERATIONS.—In determining the amount of a penalty under this paragraph for a recipient of recovery funds, a court shall consider—

“(i) the number of times the recipient has failed to provide the information required under subsection (c);

“(ii) the amount of recovery funds provided to the recipient;

“(iii) whether the recipient is a government, nonprofit entity, or educational institution; and

“(iv) whether the recipient is a small business concern (as defined under section 3 of the Small Business Act (15 U.S.C. 632)), with particular consideration given to businesses with not more than 50 employees.

“(D) APPLICABILITY.—This paragraph shall apply to any report required to be submitted on or after the date of enactment of this paragraph.

“(E) NONEXCLUSIVITY.—The imposition of a civil penalty under this subsection shall not preclude any other criminal, civil, or administrative remedy available to the United States or any other person under Federal or State law.

“(3) TECHNICAL ASSISTANCE.—Each agency distributing recovery funds shall provide technical assistance, as necessary, to assist recipients of recovery funds in complying with the requirements to provide information under subsection (c), which shall include providing recipients with a reminder regarding each reporting requirement.

“(4) PUBLIC LISTING.—

“(A) IN GENERAL.—Not later than 45 days after the end of each calendar quarter, and subject to the notification requirements under paragraph (2)(B), the Board shall make available on the website established under section 1526 a list of all recipients of recovery funds that did not provide the information required under subsection (c) for the calendar quarter.

“(B) CONTENTS.—A list made available under subparagraph (A) shall, for each recipient of recovery funds on the list, include the name and address of the recipient, the identification number for the award, the amount of recovery funds awarded to the recipient, a description of the activity for which the recovery funds were provided, and, to the extent known by the Board, the reason for non-compliance.

“(5) REGULATIONS AND REPORTING.—

“(A) REGULATIONS.—Not later than 90 days after the date of enactment of this paragraph, the Attorney General, in consultation with the Director of the Office of Management and Budget and the Chairperson, shall promulgate regulations regarding implementation of this section.

“(B) REPORTING.—

“(i) IN GENERAL.—Not later than July 1, 2010, and every 3 months thereafter, the Director of the Office of Management and Budget, in consultation with the Chairperson, shall submit to Congress a report on the extent of noncompliance by recipients of recovery funds with the reporting requirements under this section.

“(ii) CONTENTS.—Each report submitted under clause (i) shall include—

“(I) information, for the quarter and in total, regarding the number and amount of civil penalties imposed and collected under this subsection, sorted by agency and program;

“(II) information on the steps taken by the Federal Government to reduce the level of noncompliance; and

“(III) any other information determined appropriate by the Director.”; and

(3) by adding at the end the following:

“(i) TERMINATION.—The reporting requirements under this section shall terminate on September 30, 2013.”.

## TITLE VII—BUDGETARY PROVISIONS

### SEC. 701. DETERMINATION OF BUDGETARY EFFECTS.

(a) IN GENERAL.—The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

(b) EMERGENCY DESIGNATION FOR CONGRESSIONAL ENFORCEMENT.—In the House of Representatives, this Act, with the exception of section 511, is designated as an emergency for purposes of pay-as-you-go principles. In the Senate, this Act is designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

(c) EMERGENCY DESIGNATION FOR STATUTORY PAYGO.—This Act, with the exception of section 511, is designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111-139; 2 U.S.C. 933(g)).

**SA 4377.** Mr. BOND submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to



extend certain expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 173, line 6, strike all through page 231, line 12, and insert the following:

**SEC. 401. USE OF STIMULUS FUNDS TO OFFSET SPENDING.**

The unobligated balance of each amount appropriated or made available under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) (other than under title X of division A of such Act) is rescinded such that the aggregate amount of such rescissions equal \$39,860,000,000 in order to offset the net increase in spending resulting from the provisions of, and amendments made by, this Act. The Director of the Office of Management and Budget shall report to each congressional committee the amounts so rescinded within the jurisdiction of such committee.

**SA 4378.** Mr. BOND submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 173, line 6, strike all through page 231, line 12.

**SA 4379.** Mr. VITTER submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the subtitle D of title IV, add the following:

**SEC. \_\_\_\_ . NEW REVENUES TO THE OIL SPILL LIABILITY TRUST FUND.**

The revenue resulting from any increase in the Oil Spill Liability Trust Fund financing rate under section 4611 of the Internal Revenue Code of 1986 shall—

(1) not be counted for purposes of offsetting revenues, receipts, or discretionary spending under the Congressional Budget Act of 1974 or the Statutory Pay-As-You-Go Act of 2010; and

(2) shall only be used for the purposes of the Oil Spill Liability Trust Fund.

**SA 4380.** Mr. BUNNING (for himself, Mr. ROCKEFELLER, Mr. BYRD, and Mr. ENZI,) submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

Strike subsections (a) through (c) of section 207 and insert the following:

(a) **ALTERNATIVE FUEL CREDIT.**—Paragraph (5) of section 6426(d) is amended by striking “after December 31, 2009” and all that follows and inserting “after—

“(A) September 30, 2014, in the case of liquefied hydrogen,

“(B) December 31, 2010, in the case of fuels described in subparagraph (A), (C), (E), (F), or (G) of paragraph (2), and

“(C) December 31, 2009, in any other case.”.

(b) **ALTERNATIVE FUEL MIXTURE CREDIT.**—Paragraph (3) of section 6426(e) is amended by striking “after December 31, 2009” and all that follows and inserting “after—

“(A) September 30, 2014, in the case of liquefied hydrogen,

“(B) December 31, 2010, in the case of fuels described in subparagraph (A), (C), (E), (F), or (G) of subsection (d)(2), and

“(C) December 31, 2009, in any other case.”.

(c) **PAYMENT AUTHORITY.**—

(1) **IN GENERAL.**—Paragraph (6) of section 6427(e) is amended by striking “and” at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting “; and”, and by adding at the end the following new subparagraph:

“(E) any alternative fuel or alternative fuel mixture (as so defined) involving fuel described in subparagraph (A), (C), (E), (F), or (G) of section 6426(d)(2) sold or used after December 31, 2010.”.

(2) **CONFORMING AMENDMENT.**—Subparagraph (C) of section 6427(e)(6) is amended by inserting “or (E)” after “subparagraph (D)”.

**SA 4381.** Mr. BENNET submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

On page 303, between lines 12 and 13, insert the following:

**SEC. 526. RURAL HEALTH ACCESS AND IMPROVEMENT.**

(a) **GRANTS TO PROMOTE HOSPITAL HEALTH INFORMATION TECHNOLOGY.**—Section 3013 of the Public Health Service Act (42 U.S.C. 300jj-33) is amended by adding at the end the following:

“(j) **PRIORITY.**—In awarding a grant under this section, the Secretary shall give priority to qualified State-designated entities that are critical access hospitals, as defined in section 1861(mm) of the Social Security Act.”.

(b) **EXPANDED PARTICIPATION IN SECTION 340B PROGRAM.**—Section 340B(a)(4) of the Public Health Service Act (42 U.S.C. 256b(a)(4)) is amended by adding at the end the following:

“(P) An entity that is a rural health clinic, as defined in section 1861(aa)(2) of the Social Security Act.”.

(c) **GAO STUDY AND REPORT ON DISPENSING FEES.**—The Comptroller General of the United States shall study and report on the following aspects of the Medicaid pharmacy benefit program under title XIX of the Social Security Act (42 U.S.C. 1396a et seq.):

(1) Any additional costs to pharmacies, and the factors contributing to such costs, associated with—

(A) providing pharmacy services, including whether the pharmacy providing the services is—

- (i) a rural or urban pharmacy;
- (ii) an independent or chain-operated pharmacy;
- (iii) a specialty pharmacy; or
- (iv) a long term care pharmacy;

(B) compliance with the requirements of the drug use review program under section 1927(g) of the Social Security Act (42 U.S.C. 1396r-8(g)), including any State-based counseling requirements; and

(C) compliance with any additional administrative burdens, such as coordination of benefits and prior authorization requirements.

(2) The ability of pharmacies to collect Medicaid copayments.

(3) The policies used by States to encourage generic drug utilization.

(4) State Medicaid policies regarding the administration of vaccinations by pharmacists and access to vaccinations.

(d) **STATE OFFICES OF RURAL HEALTH.**—Section 338J of the Public Health Service Act (42 U.S.C. 254r) is amended by striking subsection (k).

**SA 4382.** Mrs. LINCOLN (for herself, Mr. CORNYN, and Mr. ENSIGN) submitted an amendment intended to be proposed to amendment SA 4369 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title II, insert the following:

**SEC. \_\_\_\_ . REDUCTION IN CORPORATE RATE FOR QUALIFIED TIMBER GAIN.**

(a) **IN GENERAL.**—Paragraph (1) of section 1201(b) is amended by striking “ending” and all that follows through “such date”.

(b) **CONFORMING AMENDMENT.**—Paragraph (3) of section 1201(b) is amended to read as follows:

“(3) **APPLICATION OF SUBSECTION.**—The qualified timber gain for any taxable year shall not exceed the qualified timber gain which would be determined by not taking into account any portion of such taxable year after December 31, 2010.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending after May 22, 2009.

**NOTICE OF HEARING**

**COMMITTEE ON ENERGY AND NATURAL RESOURCES**

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the hearing scheduled before the Senate Committee on Energy and Natural Resources previously announced for June 24, 2010, at 9:30 a.m., has been postponed.

The purpose of the hearing was to receive testimony on S. 3452, a bill to designate the Valles Caldera National Preserve as a unit of the National Park System, and for other purposes.

For further information, please contact David Brooks at (202) 224-9863 or Allison Seyferth at (202) 224-4905.

**AUTHORITY FOR COMMITTEES TO MEET**

**COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY**

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on June 17, 2010.

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

**COMMITTEE ON ARMED SERVICES**

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on June 17, 2010, at 9:30 a.m.

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

**COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION**

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and

Transportation be authorized to meet during the session of the Senate on June 17, 2010, at 10 a.m., in room 253 of the Russell Senate Office Building.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR,  
AND PENSIONS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet, during the session of the Senate, to conduct a hearing entitled "Leveling the Playing Field: Protecting Workers and Businesses Affected by Misclassification" on June 17, 2010. The hearing will commence at 10 a.m. in room 430 of the Dirksen Senate Office Building.

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

COMMITTEE ON HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on June 17, 2010, at 3 p.m.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on June 17, 2010, at 2:15 p.m. in room 628 of the Dirksen Senate Office Building to conduct a hearing entitled "Indian Education: Did the No Child Left Behind Act Leave Indian Students Behind?"

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

COMMITTEE ON THE JUDICIARY

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on June 17, 2010, at 10 a.m., in SD-226 of the Dirksen Senate Office Building, to conduct an executive business meeting.

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

COMMITTEE ON SMALL BUSINESS AND  
ENTREPRENEURSHIP

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Committee on Small Business and Entrepreneurship be authorized to meet during the session of the Senate on June 17, 2010, at 10 a.m. to conduct a hearing entitled "Harnessing Small Business Innovation: Navigating the Evaluation Process for Gulf Coast Oil Cleanup Proposals."

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on June 17, 2010 at 2:30 p.m.

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

SUBCOMMITTEE ON ENERGY, SCIENCE, AND  
TRANSPORTATION

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Subcommittee on Energy, Science, and Transportation of the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate at 9:30 a.m. on June 17, 2010, in SR-328A.

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

PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that Michaela Byrne and Jeremy Long, members of my staff, be granted floor privileges for the duration of the debate on H.R. 4213.

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

PROVIDING FOR RECONSIDERATION AND REVISION OF PROPOSED CONSTITUTION OF THE UNITED STATES VIRGIN ISLANDS

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S.J. Res. 33, a joint resolution providing for the reconsideration and revision of the proposed Constitution of the U.S. Virgin Islands to correct provisions inconsistent with the Constitution and Federal law, introduced earlier today.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 33) to provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. BINGAMAN. Mr. President, the U.S. Virgin Islands is an unincorporated territory of the United States that was acquired from Denmark in 1917. It is one of only two United States territories which does not have a locally adopted constitution to provide for basic governmental organization and operations. Instead, the Virgin Islands government operates under the Revised Organic Act of 1954, as amended, a Federal law written by Congress (48 U.S.C. 1541-1645).

In 1976, to enhance local self-government, Congress enacted Public Law 94-584, which, as amended, authorizes the people of the Virgin Islands to convene a constitutional convention and draft a constitution. The law provides for two consecutive 60-day periods for Presidential and Congressional review. Upon receiving a proposed constitution from the President, Congress may approve, modify, or amend the document by joint resolution, but if Congress does not act within its 60 legislative day re-

view period, then the constitution is deemed approved by Congress. If Congress approves the proposed constitution, or passes modifications or amendments, it then goes before the Virgin Islands voters to be accepted or rejected in a referendum. Since 1964, the people of the Virgin Islands have attempted five times to write a constitution, but previous efforts have been unsuccessful.

On December 31, 2009, the Governor of the Virgin Islands submitted a proposed constitution drafted by the Fifth Constitutional Convention to President Obama, and it was transmitted to Congress with administration comments. The end of the 60 legislative day Congressional review period is June 30.

In his February 26, 2010, message to Congress, President Obama attached the proposed constitution and a memorandum of the Justice Department which noted that several features of the proposed constitution warranted comment: 1, the absence of an express recognition of United States sovereignty and the supremacy of Federal law; 2, provisions for a special election on the Virgin Islands territorial status; 3, provisions conferring legal advantages on certain groups defined by place and timing of birth, timing of residency, or ancestry; 4, residence requirements for certain offices; 5, provisions guaranteeing legislative representation of certain geographic areas; 6, provisions addressing territorial waters and marine resources; 7, imprecise language on certain provisions of the proposed constitution's bill of rights; 8, the possible need to repeal of certain Federal laws if the proposed United States Virgin Islands constitution is adopted; and 9, the effect of congressional action or inaction on the proposed constitution. I refer you to the President's message and DOJ memorandum in the March 1, 2010, Congressional Record, page S856. Both in the memorandum and in testimony on May 19 before the Senate Committee on Energy and Natural Resources, the Justice Department recommended that "the provisions conferring legal advantages on certain groups defined by place and timing of birth, timing of residency, or ancestry..." Item 3 above—be removed from the constitution and that consideration be given to shortening the residence requirements for certain officers—item 4—and to revising the provisions concerning territorial waters and marine resources—item 6.

I am pleased to join with the ranking member of the Committee on Energy and Natural Resources, Senator MURKOWSKI, in introducing this resolution to provide for the reconsideration and revision of the proposed constitution of the Virgin Islands to correct provisions that are inconsistent with the U.S. Constitution and Federal law. More specifically, the resolution would

amend P.L. 94-584, as amended, to provide that Congress may urge the convention to reconvene, but following reconsideration and revision of the proposed constitution, it would not be sent back to Congress for review. Instead, the U.S. President would have 60 calendar days to provide administration comments to the Governor and Congress, and to publish those comments in the Federal Register. Then, the revised proposed constitution would be submitted to the voters for approval or disapproval. If the Constitutional Convention fails to reconvene, or if the convention fails to make revisions, then there will be no referendum of approval or disapproval of the proposed constitution by the voters of the Virgin Islands, and this process ends.

It is challenging for Congress to act within the 60 legislative day review period as established by P.L. 94-584, as amended, ending June 30. The approach taken in this resolution to respond to the Federal concerns raised with the proposed constitution has been reached in consultation with counsel for the Virgin Islands Convention, and with the Delegate and Governor of the Virgin Islands. While there were differing views on how Congress should proceed, I appreciate the cooperation and commitment of all involved in working out this consensus approach.

There are few more solemn duties in government than that of developing and adopting a constitution. I commend the delegates to the Virgin Islands Constitutional Convention for their effort and their commitment to this solemn duty. I also urge them to carefully consider the issues raised by the President and Congress and to revise the proposed constitution by removing or amending those provisions that are in conflict with the U.S. Constitution.

For generations, the people of the Virgin Islands have been a part of the United States political family and together we share allegiance to our Nation and to the principles enshrined in the U.S. Constitution. Under this resolution, the delegates will have the choice of conforming the proposed constitution to these shared principles or of endorsing the conflicts between the proposed constitution and the U.S. Constitution. Endorsing these conflicts will most certainly result in either disapproval of the proposed constitution by the voters of the Virgin Islands, or years of litigation that will eventually strike down these provisions. I urge the delegates to take this rare opportunity to bring closure to the process—to make the needed revisions and to be remembered for their leadership in bringing a constitution to the people of the Virgin Islands.

Ms. MURKOWSKI. Mr. President, I am pleased to join with Senator JEFF BINGAMAN, the Chairman of the Senate Energy and Natural Resources Committee, in introducing this Joint Resolution to urge the Fifth Constitutional

Convention of the United States Virgin Islands to reconvene for the purpose of reconsidering and revising its proposed constitution. Let me first commend the delegates of the Virgin Islands Fifth Constitutional Convention for their hard work and efforts in drafting and putting forward this proposed constitution. Their commitment to resolving this issue and getting a constitution enacted for the people of the United States Virgin Islands should be applauded.

The Chairman has clearly laid out the historical and legislative background of the United States' relationship with the U.S. Virgin Islands and the process for Congress to consider a proposed constitution. He has also explained the concerns and issues expressed by the Administration about some provisions in the proposed constitution and that under Public Law 94-584, the only options available to Congress are to approve, amend, or revise the constitution. Disapproval is not an option. Because time is short, Congress only has 60 legislative days to take action, it is unlikely we will be able to reach an agreement on the proposed changes before June 30, 2010, which is the end of the 60 legislative days. If Congress does not act before then, the proposed constitution will be deemed approved with no changes.

As a result, the Chairman and I are introducing this Joint Resolution to amend P.L. 94-584 to allow Congress to urge the constitutional convention to reconvene. In accordance with this change to the law, the joint resolution urges the Fifth Constitutional Convention to reconvene for the purpose of reconsidering and revising the proposed constitution in response to the concerns outlined by the executive branch. It is my understanding that should Congress pass this joint resolution, the 60 legislative day clock will stop. It is also my understanding that should this Joint Resolution be enacted, there are three courses of action for the Fifth Constitutional Convention: do not reconvene; reconvene but do not revise the proposed constitution; or reconvene and revise the proposed constitution. If the convention were to choose not to reconvene, or to reconvene but not revise, then the process is dead, there is no further consideration of the proposed constitution, and it does not go to the people of the Virgin Islands for a vote.

If, however, the convention reconvenes and does revise the proposed constitution, then the revised proposed constitution would simultaneously be submitted to the Governor of the Virgin Islands and the President of the United States. The President would then have 60 calendar days to notify the Convention, the Governor, and Congress of the comments of the President on the revised proposed constitution, and publish the comments in the Federal Record. Once the comments have been published in the Federal Record, the revised proposed constitu-

tion would be submitted to the qualified voters of the U.S. Virgin Islands for acceptance or rejection.

The delegates to the convention have the choice to bring the proposed constitution in line with the U.S. Constitution and Federal statutes. It is my preference to see the Convention reconvene and make these changes themselves, rather than have the courts impose them through litigation. This is the fifth attempt to establish a constitution for the people of the U.S. Virgin Islands and I am hopeful that this attempt, with the necessary revisions, will be successful.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the joint resolution be read a third time, passed; that the preamble be agreed to, and the motions to reconsider be laid upon the table en bloc; and that any statements related to the joint resolution be printed in the RECORD.

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

The joint resolution (S.J. Res. 33) was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S. J. RES. 33

To provide for the reconsideration and revision of the proposed constitution of the United States Virgin Islands to correct provisions inconsistent with the Constitution and Federal law.

Whereas Congress, recognizing the basic democratic principle of government by the consent of the governed, enacted Public Law 94-584 (94 Stat. 2899) authorizing the people of the United States Virgin Islands to organize a government pursuant to a constitution of their own adoption;

Whereas a proposed constitution to provide for local self-government for the people of the United States Virgin Islands was submitted by the President to Congress on March 1, 2010, pursuant to Public Law 94-584;

Whereas Congress, pursuant to Public Law 94-584, after receiving a proposed United States Virgin Islands constitution from the President may approve, amend, or modify the constitution by joint resolution, but the constitution "shall be deemed to have been approved" if Congress takes no action within "sixty legislative days (not interrupted by an adjournment sine die of the Congress) after its submission by the President";

Whereas in carrying out Public Law 94-584, the President asked the Department of Justice, in consultation with the Department of the Interior, to provide views on the proposed constitution;

Whereas the Department of Justice concluded that several features of the proposed constitution warrant analysis and comment, including—

- (1) the absence of an express recognition of United States sovereignty and the supremacy of Federal law;
- (2) provisions for a special election on the territorial status of the United States Virgin Islands;
- (3) provisions conferring legal advantages on certain groups defined by place and timing of birth, timing of residency, or ancestry;
- (4) residence requirements for certain offices;
- (5) provisions guaranteeing legislative representation of certain geographic areas;

(6) provisions addressing territorial waters and marine resources;

(7) imprecise language in certain provisions of the bill of rights of the proposed constitution;

(8) the possible need to repeal certain Federal laws if the proposed constitution of the United States Virgin Islands is adopted; and

(9) the effect of congressional action or inaction on the proposed constitution; and

Whereas Congress shares the concerns expressed by the executive branch of the Federal Government on certain features of the proposed constitution of the United States Virgin Islands and shares the view that consideration should be given to revising those features: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

# **SECTION 1. SENSE OF CONGRESS ON PROPOSED CONSTITUTION FOR UNITED STATES VIRGIN ISLANDS.**

It is the sense of Congress that Congress—

(1) recognizes the commitment and efforts of the Fifth Constitutional Convention of the United States Virgin Islands to develop a proposed constitution; and

(2) urges the Fifth Constitutional Convention of the United States Virgin Islands to reconvene for the purpose of reconsidering and revising the proposed constitution in response to the views of the executive branch of the Federal Government.

## **SEC. 2. REVISION OF PROPOSED CONSTITUTION.**

Section 5 of Public Law 94-584 (90 Stat. 2900) is amended—

(1) by designating the first, second, third, and fourth sentences as subsections (a), (b), (d), and (e), respectively;

(2) in subsection (b) (as so designated)—

(A) by striking “within” and all that follows through “after” and inserting “within 60 legislative days after”; and

(B) by inserting “or has urged the constitutional convention to reconvene,” after “in whole or in part,”;

(3) by inserting after subsection (b) (as so designated) the following:

“(c) REVISION OF PROPOSED CONSTITUTION.—

“(1) IN GENERAL.—If a convention reconvenes and revises the proposed constitution, the convention shall resubmit the revised proposed constitution simultaneously to the Governor of the Virgin Islands and the President.

“(2) COMMENTS OF PRESIDENT.—Not later than 60 calendar days after the date of receipt of the revised proposed constitution, the President shall—

“(A) notify the convention, the Governor, and Congress of the comments of the President on the revised proposed constitution; and

“(B) publish the comments in the Federal Register.”; and

(4) in subsection (d) (as so designated), by inserting “under subsection (b) (or, if revised pursuant to subsection (c), on publication of the comments of the President in the Federal Register)” after “or modified”.

Mr. BROWN of Ohio. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

## **ORDERS FOR FRIDAY, JUNE 18, 2010**

Mr. BAUCUS. Mr. President, I ask unanimous consent that when the Senate completes its business today it adjourn until 9:45 a.m. on Friday, June 18; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks

there be a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

## **PROGRAM**

Mr. BAUCUS. Mr. President, there will be no rollcall votes during Friday's session of the Senate.

## **ADJOURNMENT UNTIL 9:45 A.M. TOMORROW**

Mr. BAUCUS. If there is no further business to come before the Senate, I ask unanimous consent it adjourn under the previous order.

There being no objection, the Senate, at 8:38 p.m., adjourned until Friday, June 18, 2010, at 9:45 a.m.

## **NOMINATIONS**

Executive nominations received by the Senate:

### **THE JUDICIARY**

JAMES EMANUEL BOASBERG, OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA, VICE THOMAS F. HOGAN, RETIRED.

AMY BERMAN JACKSON, OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA, VICE GLADYS KESSLER, RETIRED.

SUE E. MYERSCOUGH, OF ILLINOIS, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF ILLINOIS, VICE JOE B. MCDADE, RETIRED.

### **DEPARTMENT OF JUSTICE**

JAMES THOMAS FOWLER, OF TENNESSEE, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS, VICE ARTHUR JEFFREY HEDDEN, RESIGNED.

CRAIG ELLIS THAYER, OF WASHINGTON, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF WASHINGTON FOR THE TERM OF FOUR YEARS, VICE MICHAEL LEE KLINE, TERM EXPIRED.