AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 111th CONGRESS, FIRST SESSION

Vol. 155 WASHINGTON, MONDAY, MARCH 30, 2009 *No. 53*

Senate

The Senate met at 11 a.m. and was called to order by the Honorable CARL LEVIN, a Senator from the State of Michigan.

PRAYER

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

Let us pray.

O God, the fountain of wisdom, today help our lawmakers to be wise enough to ask for Your guidance and humble enough to receive it. Give them the ability to hear Your voice and follow Your leading. Lord, lead them to be as kind to others as they want people to be to them. As they faithfully work for freedom, remind them that they are living in Your sacred presence. Give them the wisdom to avoid the paths that bring regret, remorse, and shame. At all times, keep their thoughts pure, their words true, and their actions honorable. Cultivate within them the grace of gratitude, integrity, discipline, and kindness.

We pray in Your merciful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable CARL LEVIN 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 assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 30, 2009.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CARL LEVIN, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. LEVIN 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. Mr. President, following leader remarks, the Senate will proceed to the budget resolution. Under the statute that governs this legislation, we have 50 hours of debate. There will be no rollcall votes today. There should be a lot of votes in the next few days after today.

THE ECONOMY

Mr. REID. Mr. President, 8 years ago, President Bush inherited from President Clinton a prosperous and a very strong nation with a tremendously powerful, growing economy. Our unemployment rate was at an exceptionally low rate of just over 4 percent. We had a budget surplus of about $130 billion. We were actually paying down the debt. For 3 years, we paid down the debt by about half a trillion dollars.

President Bush and congressional Republicans inherited an economy that was growing and lifting all Americans along with the growing economy. Then Bush, Cheney, and the congressional Republicans set about dismantling the foundation of prosperity that built up over the years. They slashed taxes for the super-rich based on the long-discredited theory that these dollars would trickle down to the middle class and poor. They repealed or ignored oversight laws meant to protect our financial markets from manipulation and excess. They borrowed hundreds of billions of dollars to fight a war in Iraq marred by waste, fraud, and abuse. It took all of their 8 years in power, but George Bush, Dick Cheney, and Republican allies here not only reversed the prosperity they inherited but set us on the course of the worst economic crisis since the Great Depression.

This January, President Obama inherited from President Bush an unemployment rate above 7 percent, and climbing, a Republican deficit of nearly $500 billion, and a national debt twice the level it was when he took office. In the first weeks of his term, President Obama has shown exactly why our country entrusted him with the Presidency during this hour of crisis. We inherited a Republican deficit of half a trillion dollars. But with calm and determined leadership, President Obama proposed an economic recovery plan that is now beginning to stem the tide of job loss—especially jobs—and create new opportunity for workers and small businesses in every corner of our country. He proposed a budget that focuses on long-term prosperity, in addition to near-term recovery, by lowering taxes for working people, laying the groundwork for cutting the Republican deficit in half, and investing in renewable energy, health care, and education.

Over the past weeks, Members of Congress have taken a close look at the President's budget and considered their own proposals to strengthen it further. As usual, Chairman CONRAD has done an outstanding job. He has brought Democrats and Republicans into the budget process and considered all proposals with equal weight. That is how we will approach this week ahead.

A piece of legislation this important to America's future requires us to move forward in a serious, productive, and inclusive manner. Democrats have maintained all year that the best solutions to the challenges we face come

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

when both parties seek and find common ground. The minority can play a major role in this process but only if they offer solutions, not sound bites.

We all recognize that reversing 8 years of Republican deficits and fiscal irresponsibility will take time. It will not happen overnight. We may not know exactly when the recession will end, but I am confident that passing the budget will hasten the day when recovery begins.

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

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

RESERVATION OF LEADER TIME

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

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2010

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to consideration of S. Con. Res. 13, which the clerk will report.

The assistant legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 13) setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Mr. President, I have spoken to the two managers of the bill. As soon as Senator MCCONNELL comes to the floor, they will turn the floor over to him. He is coming, but he was detained on the way. So if the two managers will go ahead and start the bill, and when Senator MCCONNELL gets to the floor, he has a statement he wants to make, and that will start the time counting.

The ACTING PRESIDENT pro tempore. The Republican leader.

Mr. MCCONNELL. Mr. President, Americans have serious concerns about this budget and the massive amount of spending, taxing, and borrowing it calls for right in the middle of a recession. They are also increasingly concerned that Democratic leaders in Washington seem to be less and less straightforward about what we are actually doing here on Capitol Hill.

Americans were upset to learn that a provision was quietly dropped from the stimulus bill that would have kept taxpayer dollars from going to executives at failed financial firms. But they were equally upset at how those bonuses came about—the language blocking them was quietly stripped from the bill in a closed conference room somewhere in the Capitol without anybody looking.

A few days after that, openness took another holiday on Capitol Hill when Democratic leaders announced new budget gimmicks that had the effect of concealing the true long-term costs of the administration's $3.6 trillion budget. And now questions about diminishing transparency relate to the budget itself—a budget that almost makes the trillion-dollar stimulus bill look fiscally responsible by comparison.

Everyone knows that the national debt is already too high and that this budget would cause that debt to balloon even more—doubling in 5 years and tripling in 10. Yet, even with all that borrowing, the administration still will not have enough money to pay for the massive expansion of Government outlined in this budget. In order to cover the cost, they propose two things: a tax on income that hits small business very hard and a new national energy tax that would hit every American household and business.

But the Democratic budget writers had a problem: This new energy tax is deeply unpopular, and it is a serious job killer. According to some estimates, this tax could cost every American household up to $3,100 a year just for doing the same things people have always done, such as turning on the lights and doing the laundry. It is also a tax on all economic activity, from factory floors to front offices. This tax won't just hit American households, it will cost us jobs.

Another problem was that virtually all Republicans and a lot of Democrats agree with most Americans that this new national energy tax is a terrible idea and that we can't afford it. Yet, without this tax, there is just no other way for Democratic leaders to pay for all the new Government programs the administration wants. The solution to the problem was this: Democratic budget writers decided to use a rule that allows them to fast track legislation down the road, including potentially the new energy tax, without any input from Democrats and Republicans who either have serious concerns about this tax or who oppose it altogether.

The chairman of the Budget Committee argues that this version of the budget resolution doesn't allow this avenue for fast tracking legislation on an energy tax, and that may be so. But we also know two things: First, the language House budget writers have used in their budget resolution leaves the door wide open to include the energy tax, and the Democrats need this tax as a slush fund to pay for all the new programs the budget creates.

Some still argue that this fast-track process won't be used for the energy tax. They must not be paying attention to the administration's budget director, who says fast tracking the energy tax isn't off the table. And they must not have been paying attention to our friend the majority leader, who, to his credit, has been quite candid about the fact that the amount of money the administration needs for its health care proposals is almost exactly what the administration says it can raise from a national energy tax. Americans don't need another $3,100 added to their tax bill.

And just as worrisome is the method being used to ram this tax through Congress: lay the groundwork, keep it quiet, and rush it through with as little transparency and as little debate as possible.

If there is anything we have learned over the past few weeks, it is that the American people want more people watching the store, not fewer. If the bonuses taught us anything at all, it is that Americans think we should take more time, not less, when considering how to spend their money. If Democratic leaders intend to pay for all the administration's programs with a new energy tax, they should say so now, bring it to the full Senate, and let the people decide. Anything less on a policy shift of this magnitude betrays a troubling lack of straightforwardness about the Democrats' plan for imposing a massive new tax on the American people and American businesses.

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

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

Mr. CONRAD. Mr. President, I ask unanimous consent that the use of calculators be permitted on the floor during consideration of the budget resolution.

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

Mr. CONRAD. Mr. President, I know my colleague, Senator GREGG, the ranking member, has a statement he would like to make, and so I will withhold for his statement.

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

Mr. GREGG. Mr. President, I appreciate the courtesy of the Senator from North Dakota, who is always extraordinarily courteous, professional, and generous. Before we begin the specific debate on the issue of the budget, which obviously we both have to be here for—and I know he has a lot of things going on in North Dakota with the flooding—I would like to make a few remarks off topic.

(The further remarks of Mr. GREGG and Mr. CONRAD are printed in today's RECORD under "Morning Business.")

Mr. CONRAD. Mr. President, I speak to the matter now before us on the floor of the Senate, the budget.

I would like to start by pointing out what this President has inherited because this President, who has only been in office a few months, has inherited a series of crises almost unparalleled in our country's history. You think about it. Not only does he have a fiscal crisis, he has a housing crisis, he has a financial crisis, he has two wars, and he has a legacy of debt that is truly stunning.

The debt more than doubled in the previous 8 years, the foreign holdings of U.S. debt tripled in the previous 8 years, and the President inherited an economy in recession for more than a year, an economy which contracted by more than 6 percent in the last quarter of last year. Of course, when that happens, deficit and debt soar. That is precisely what has happened. In the last years, the deficit and debt have skyrocketed. So this President walks into a very challenging situation.

This shows what happened to just the Federal debt in the past years. It went from $5.8 trillion to over $12 trillion. The way we do it, we don't hold Presidents responsible for their first year because they are inheriting a situation. We don't hold George Bush responsible for the first year he was in office. He was working off the previous President's budget. And we do not hold this President responsible for the first year because he inherits the previous President's budget. But this is what happened in the previous 8 years: more than doubling of the debt. Perhaps even more alarming, there was a tripling of foreign-held debt.

President Bush, as we can see by this chart—it took 42 Presidents 224 years to build up $1 trillion of foreign-held debt. President Bush, during his period, ran up more than $2 trillion of foreign holdings of U.S. debt. Last year alone when we went to finance our debt, 68 percent of the funding came from foreign entities.

Some say that is a sign of strength. I don't share that view. To have the Chinese be our biggest financier, to have Japan be No. 2, to have them financing 68 percent of our newly issued debt—I don't think that is a sign of strength. I think it is a sign of vulnerability.

Not only did President Obama inherit those very tough fiscal situations, he also inherited a country facing very dire economic conditions, with over 3.3 million private sector jobs lost in the last 6 months alone.

You can see, going back to September, 300,000 jobs were lost. That jumped up to almost 400,000 in October of 2008; in November of 2008, over 600,000 jobs lost. Then it approached almost 700,000 in December of 2008. In January of 2009 there were nearly 700,000 jobs lost; in February of 2009, another almost 700,000 jobs lost.

We see the unemployment rate rose very dramatically, starting back in March of 2007, when it was just at about 4.4 percent. Then it started skyrocketing back in March of 2008. You can see it took off at a very rapid rate to a level of 8.1 percent in February of 2009.

This is much more than numbers on a poster. These are real people losing their jobs—meaning their ability to hold on to their homes was threatened, meaning their ability to provide for their families was diminished. These people are wondering what comes next for them; what are we going to do that is going to make a difference in their lives.

We also see economic growth contracted very dramatically from the third quarter of 2008, when there was a negative one-half of 1 percent of growth, to the fourth quarter of 2008 where the economy contracted at a rate of over 6 percent. That is the worst economic performance in decades.

That is the situation this President inherited. But it is more than that. He is inheriting record deficits; a doubling of the national debt; the worst recession since the Great Depression; financial market and housing crises, as I indicated; 3.3 million jobs lost in the last 6 months; and on top of that, ongoing wars in Iraq and Afghanistan.

I have often thought of the crushing responsibility on the shoulders of this President, but he is equal to it. I can say, in meeting after meeting I have had with him, one of the things that has always appealed to me about Barack Obama, now President Obama—not only is he a very smart person, but he is remarkably calm.

Even in the face of great crisis, this President maintains a coolness under fire. I find it very appealing and very reassuring that with all of these crises he is absolutely calm and he is very clear thinking. That is what we need at this time.

So when the President came with major priorities in his budget, I think many across America thought, those are exactly the right priorities. He is talking about reducing our dependence on foreign energy, one of his three key priorities; excellence in education. If we do not have the best education in the world, we are not going to be the strongest country in the world; for very large major health care reform, because I think everyone understands that is the 800-pound gorilla. That is the thing that could swamp the boat, because we are spending $1 of every $6 in this economy on health care, and we are headed for more than $1 of every $3 in this economy going to health care if we stay on the current trend line. Clearly that is unsustainable and the President has called for major health care reform.

A continuation of middle-class tax cuts, the 2001 and 2003 tax cuts. The President added additional middle-class tax cuts in his budget. All the while the President called for these major initiatives, but to do it and cut the deficit in half over the 5 years. We have tried our level best to meet the President's major priorities, understanding that we were going to have to make some changes, because the Congressional Budget Office, who did their forecast of revenue available, had done their forecast several months after the President's forecast was done. In the meantime, the situation, as I have already shown, had deteriorated. So we were left with a circumstance in which we had $2.3 trillion less to write a budget than did the President when he wrote his.

When I say $2.3 trillion, I want to emphasize that. I am not talking about ''million,'' I am not talking about ''billion,'' I am talking about ''trillions'' of dollars. Trillions of dollars. A trillion dollars is 1,000 billion dollars; 1,000 billion dollars.

So when we say $2.3 trillion was lost in the forecast of revenue available, that is a big deal. I was given the responsibility of telling the President that we were faced with that very changed circumstance, because the Congressional Budget Office does not report to the President, it reports to the Congress. So when we learned of this very significant change, I and Chairman SPRATT, the chairman of the Budget Committee in the House, were given the responsibility to meet with the President and to inform him of these very significant changes.

As you can imagine, the President was not very happy. But I can tell you he is a realist, and he understood immediately the implications. He understood immediately that we would have to make some changes in his budget. But he asked us to preserve his key priorities, and that is what we have attempted to do.

Again, we need to reduce our dependence on foreign energy. I think everyone knows, or nearly everyone, that this is one of the major fundamental threats to the United States. Our dependence on foreign energy, back in 1985, we imported 27 percent of the oil we use. By 2008, that had increased to 57 percent of the oil we are using being imported from abroad, much of it from unstable parts of the world, some of them not very friendly to the United States.

So this poses a fundamental long-term economic and security threat to our country. The President has rightly identified, even though the pressure is off right now because oil prices are way down, that this is something we have got to face up to if we are going to have a strong America in the future.

So in this budget we have responded with a reserve fund that reduces dependence on foreign energy, creates green jobs, helps preserve the environment, and helps with high home energy costs. We do it through a reserve fund to accommodate legislation, to invest in clean energy, and address global climate change.

We also provide the President's level of discretionary funding for the Department of Energy for the year. We build on the economic recovery package investments in renewable energy, efficiency, and conservation, low-carbon coal technology, and modernizing the electric grid. That process had been started in the economic recovery package. It is in the budget; critically important to the economic future of the country.

In terms of a focus on excellence in education, there are lots of warning signs out there that we are starting to lose the battle to be the best educated people in the world. But what are the indications? Here is just one. We are now dramatically lagging China in producing engineers. You can see, in 1985, each of our countries produced about the same number of engineers. We produced, each of us, about 75,000 engineers.

But look at what has happened since in the United States. The number of engineers we are producing has declined to about 65,000. Look at what has happened in China. They have increased from about 75,000 to more than 440,000 engineers. Now, why is that important? I think we know it is important because you have got to have engineers if you are going to be building a strong infrastructure. If you do not have a strong infrastructure, you do not have a strong base for competition in this globalized world economy.

We have done everything we can to capture the President's priority of emphasizing excellence in education. We generate economic growth and jobs, prepare the workforce to meet the global economy, make college more affordable, and improve student achievement. We do it with a higher education reserve fund.

To facilitate the President's student aid increases, we extend the simplified college tax credit providing up to $2,500 a year, and we also focus on the President's requested level of $5,550 for Pell grants and fully fund his education priorities, such as early education.

Now, I was raised by my grandparents. My grandmother was a schoolteacher. She was five feet tall. We called her Little Chief. We called her Little Chief because she commanded respect. And in our family, she would tell us there are three priorities: Education is No. 1. Education is No. 2. And education is No. 3.

I tell you, we got the message, my generation. I have 13 cousins. Every one got advanced degrees. We were not a family of any special means, a middle-class family. But we understood that education was the way to secure a better future. She made it very clear to us that was the expectation. We need to reemphasize excellence in education in this country.

But we also face an enormous challenge in health care. As I indicated in my opening remarks, $1 in every $6 in this economy is going for health care. This chart shows 16 percent of our GDP, and we have just gotten updated numbers that show now we are over 17 percent of our gross domestic product going to health care. If we stay on the current trend line, by 2050, 37 percent of our gross domestic product will be going for health care. That is utterly unsustainable. It is the biggest threat to our long-term deficits and debt. It is the biggest threat to our economic competitive position. It is the biggest threat to the economic viabilities of families and companies and communities. So this is something that must be addressed.

President Obama has called for major health care reform, and we have sought to preserve that priority in the budget resolution. We invest in health care in an attempt to bend the health care cost curve to save money, reduce long-term costs, reduce the buildup of deficits and debt, also to improve health, to expand coverage, to increase research, and promote food and drug safety.

We do it in three fundamental ways. First, a reserve fund to accommodate the President's initiative to reform the health care system. What does a reserve fund mean? It means simply this: The committees of jurisdiction are given full flexibility to write legislation to accomplish the President's goals. But they have certain requirements, and the requirement is that they pay for what they produce, that it be deficit neutral.

The administration has said all along, that is their intention, and we try to match that intention in this budget. The reserve fund also addresses Medicare physician payments. It is already scheduled in law that doctors will take very significant reductions. We do not want to see that happen. So, again, we are saying to the committees of jurisdiction: Fix it and pay for it. Fix it and pay for it, because we cannot add to the deficit and debt to do it.

Finally, we continue to invest in key health care programs such as the National Institutes of Health and the Food and Drug Administration.

On defense, which is always of great interest in terms of a budget resolution, we actually provided $45 billion more in funding for defense than President Bush's final defense plan. You can see the final defense plan of President Bush is this red block. The hatch lines here are the additional funding we have provided over the years 2010 to 2013, because that is as far as the Bush defense plan goes. We provided $45 billion more. Frankly, President Obama came forward and said: Look, let us more honestly account for war costs than has previously been done. In the previous administration, all too often they did not put in the budget funding for war. This President did, and we do in the budget resolution.

Now, the President also gave us a charge to cut the deficit by more than half over the 5 years of the budget resolution. You can see that we have done, that this year we project the deficit at $1.7 trillion under this budget resolution, and we step it down every year. We will reduce it by $500 billion the first year, by $300 billion the second year, by another $300 billion the third year, by a little bit the fourth year, and by another about $60 billion the final year, to get down to $508 billion. That is a reduction of more than two-thirds over the 5 years, as a share of gross domestic product, which is what the economists like to look at, because that takes out the effect of inflation.

You can see we are reducing the deficits from 12.2 percent of gross domestic product in 2009, down to less than 3 percent in 2014. That is the magic goal, less than 3 percent of gross domestic product. Because at that level the economists tell us you stabilize the growth of the debt. That is the goal the President set, getting down to 3 percent of GDP or less in a deficit in the fifth year, and we beat that goal by a little bit.

There has been a lot of talk about the spending in this budget resolution. I want to make clear here is what happens. The spending again is a share of gross domestic product. Again the economists say that is the most fair comparison over time because it takes out the effect of inflation. You can see in 2009, we are spending 27.6 percent of GDP in this budget. That is a very high level historically. And, of course, the reason for it is the tremendous economic downturn, the need to provide stimulus to the economy, to provide lift. So spending is at a high level as a share of the gross domestic product in 2009.

You can see each and every year we step it down until 2012, and then basically it stays at that level for 2013, 2014, at about 22 percent of GDP. So we are going from 27.6 percent of GDP this year to 24.5 percent in 2010, down to 23.3 in 2011, and then basically stabilize at 22 percent of GDP through 2014, again getting down to our target of a deficit of less than 3 percent of GDP in the fifth year.

Again, on spending, to go into some additional detail, breaking down discretionary spending, as you know, in the budget we have mandatory spending, things such as Social Security and Medicare. Those are mandatory programs, mandatory in the sense that if you qualify, the Federal Government pays for what you have coming. Discretionary programs are programs that are open for the Appropriations Committee to adjust every year. If we look at the discretionary side of our budget, we can see, on defense, we are providing the full request by the President, a 3.8-percent increase. Internationally, we are not providing the President's full request because of the diminished resources available to us. So we cut the President's request by $4 billion. We are still providing an increase of almost 18 percent. Why are we giving such a large increase to international accounts? The reason is quite simple. We are engaged in two wars.

The Secretary of State called me the weekend before this weekend at home. The Secretary of Defense called me at home. Both delivered the same message. They were a little unhappy, disappointed that I was cutting international accounts by $4 billion from the President's request. They emphasized the importance of these increases because what has been done before is to make supplemental requests outside the budget. This President said no more of that. We are going to be direct. We are going to be open in the money we are requesting. These funds are needed to deal with Iraq and Afghanistan and Pakistan and other threats we are facing around the world.

Interestingly, I have never before, in my 22 years in the Budget Committee, had the Secretary of Defense call me to support the budget for the State Department. Why would the Secretary of Defense call me and ask me to increase what I have provided for in the international accounts? He told me: There is a lot that is being spent out of the Defense Department budget that should be spent out of the State Department budget for activities in Afghanistan and Iraq. President Obama has put those categories of spending where they belong, and it ought to be supported. Of course, I have great respect for them both. I had to tell them: When you lose $2.3 trillion, you have to make a lot of changes to make it add up. So I felt compelled to reduce these accounts from the President's request.

Domestic spending, we increase by 6 percent. The President asked for more in that category. Again, we simply could not make the numbers work without making reductions.

So the total in this area, $1.03 trillion, is from last year. This year it is $1.08 trillion, for a combined increase in discretionary spending of 5.3 percent. We can see on nondefense discretionary, that combines international and domestic, we are giving a 7-percent increase. The President asked for over 10 percent. Again, I know there are people who are disappointed. I am sorry, but my responsibility is to deal with the reality with which I am presented. The reality I was presented with was $2.3 trillion less in revenue. I have had to make reductions in the discretionary accounts. I have had to make reductions in mandatory accounts. I have had to make changes on the tax side of the ledger in order to get the deficit down to a sustainable level.

Revenue changes in the budget resolution: I have heard some say we have all these tax increases. That is not what the Congressional Budget Office says, when they look at my budget and look at all the proposals and compare it to current law. They conclude that I am providing $825 billion of tax reduction. That is a different story than we hear coming from some quarters. That is not my claim. This is what the Congressional Budget Office finds when they look at my budget and compare it to current law. Why the difference? First, we have extended all the middle-class tax relief provided in 2001 and 2003; specifically, the 10-percent bracket, the child tax credit, the marriage penalty relief. All that is continued in this budget, as well as education incentives. On top of that, alternative minimum tax reform costs $216 billion to prevent 24 million Americans from being subjected to the alternative minimum tax. We also have estate tax reform; estate tax reform at $3.5 million an individual, $7 million a couple. Those people who have estates of less than that amount will pay zero in estate tax. Over 99 percent of the estates in America will pay zero, nothing, not a penny. That is a reform that needed to be made. It is included in this budget. The President called for it, and we have adopted it.

We also have a series of business provisions and the so-called tax extenders, things that need to be adjusted every year. We do it in this budget for a subtotal of tax relief of $958 billion. We have an offset to that, certain loophole closures, shutting down abusive tax havens, abusive tax shelters, offshore tax dodges that will raise $133 billion for total tax cuts of $825 billion.

In the President's budget, he has recommended that we not continue all the tax relief contained in the 2001 and 2003 acts for people earning over $250,000 a year. We have adopted that recommendation in this budget. All of the middle-class tax relief from 2001 and 2003 is here. It is funded. It is provided for.

In addition, the President called for additional tax reductions for middle-class people, the so-called make work pay provisions. Two years of that is already funded in the economic recovery package. So that will continue for the next 2 years. The President wanted to make that program permanent. Again, we could not do that in light of the new forecast. So we have provided that those make work pay provisions can be extended, if they are paid for. They will continue for the next 2 years, but after that, if they were to be extended, they would have to be paid for.

We also provide for important budget enforcement in the budget resolution. We have discretionary caps for 2009 and 2010. We maintain a strong pay-go rule. We have a point of order against long-term deficit increases, a point of order against short-term deficit increases. We allow reconciliation for deficit reduction only, which was the original purpose of reconciliation. We provide a point of order against mandatory spending on an appropriations bill; no backdoor stuff that used to go on, people raiding the Federal Treasury by coming in here and changing mandatory spending on an appropriations bill.

The budget resolution also addresses our long-term fiscal challenges in these ways. No. 1, we have the health reform reserve fund. That is absolutely the key element to dealing with our long-term buildup of deficits and debt. That is the part of our spending that is absolutely out of control. The only way to get it back under control is fundamental health care reform which is provided for in this budget on a deficit-neutral basis. We also have program integrity initiatives to crack down on waste, fraud and abuse and a long-term deficit increase point of order to require 60 votes to increase the deficit long term.

President Obama has said this about the need for further work on our long-term fiscal situation. Let me be clear: The first 5 years—this budget is a 5-year budget—we do quite a good job, a credible job of getting the deficit down. We reduce it by more than two-thirds. We get it down to less than 3 percent of GDP. But the second 5 years of the President's plan, even if we extended our budget for 5 years, is going to require much more effort. We are on an unsustainable course for the long term. In the next 5 years, I think we have done a credible job of moving in the right direction, reducing the deficit by two-thirds. But beyond the 5 years, we have big problems on the horizon.

The start in this budget to deal with it is health care reform because it is the 800-pound gorilla. But it is going to take more than that. It is also going to take tax reform because we have a tax system that is hemorrhaging to these offshore tax havens, abusive tax shelters and, frankly, a system that is very inefficient at collecting the revenue that is due. If we collected the money that is due under the current Tax Code, we would have no structural deficit. We wouldn't need any tax increase. If we just collected the money that is due under the current tax levels, we would have no structural deficit. The problem is, we aren't collecting the money that is due under the current code. We are only collecting about 75 percent of what is due. A big reason for that is the explosion of offshore tax havens, abusive tax shelters, the tax gap. All those things are rendering the tax system very ineffective.

The President recognizes the need for further action to address the long-term fiscal imbalance as well. He said:

> Now, I want to be very clear. While we are making important progress towards fiscal responsibility this year, in this budget, this is just the beginning. In the coming years, we'll be forced to make more tough choices, and do much more to address our long-term challenges.

That is the truth. We are going to have to do much more in those years beyond the 5 years of this budget.

Finally, I would like to address the question of a 5-year budget versus a 10-year budget. The President sent us a 10-year budget. We have written a 5-year budget. Some have said that is an attempt to conceal the effect of the second 5 years. The President sent us a 10-year budget. It has been fully scored by the Congressional Budget Office. There is no hiding of anything. The President provided us a 10-year budget. I was critical of the previous administration for not providing a 10-year budget because I was concerned they were hiding the effect of their tax cuts in the second 5 years. This President has made no attempt to conceal his 10-year plan. He sent it to us. It has been scored by the Congressional Budget Office. We know what it is.

But Congress, when it writes budgets, has almost always written a 5-year budget. In fact, of the 34 budgets Congress has written under the Budget Act, 30 have been 5-year budgets. Why? Because the projections for year 6 through year 10, the projections for revenues and expenditures for years 6 through 10, have been woefully inaccurate. They have been notoriously unreliable. But never have I seen them more unreliable than right now. That's because of the extraordinary uncertainty we're facing in the near term. Inaccuracies in the forecasts for the next several years will compound into huge differences in years 6 through 10.

So we wrote a 5-year budget that fully discloses the spending and revenue for the 5 years. We did not write a 10-year budget. Congress almost never has. But the President did. And the President's 10-year plan is fully disclosed.

We have done our level best to make changes that were necessary in what the President sent us in order to address his key priorities and at the same time to reduce the deficit in the way that he called for and to reach a deficit that was less than 3 percent of GDP in the fifth year.

I am proud of what we have done. Is it a perfect document? The work of men and women is never perfect. We are flawed. I will confess to that. To me, the greatest flaw is we still have not fully coped with the long-term deficit and debt challenge to this country. Much more will have to be done.

Senator GREGG and I have one proposal. We have a proposal for a task force that would require Members of Congress and the administration—16 of them—to be given a responsibility to come up with a plan to get our long-term deficit and debt condition in order. If 12 of the 16 could agree, that plan would come to Congress for a vote.

I believe it is going to take some special effort, some special structure to deal with these long-term deficits and debt threats. I want to say for myself, I do believe the long-term debt accumulation does fundamentally threaten the economic security of America. While we have a good start in this first 5 years, much more must be done.

Mr. President, I thank you for this time.

I will yield the floor.

Before I do it, I thank Senator GREGG, the ranking member of the Budget Committee. There are many policy issues that divide us. There are some where we are joined at the hip. But Senator GREGG has been a thorough professional in all of the work of the Budget Committee this year. His staff is outstanding as well. I recognize Senator GREGG as somebody who has credibility. He may say some things that are somewhat uncharitable about the budget I am presenting today. I understand that. That is his job. He has strong feelings, and I applaud him for them because that is what we need. If everybody in the room thinks the same thing, nobody is thinking very much. I will tell you one thing, Senator GREGG is thinking. He cares deeply about the economic future of this country, and he is doing his level best to get us on a path that makes more sense. I applaud him for it. But I would be remiss if I did not recognize the professionalism and leadership he has exhibited in the work of the Budget Committee this year. In no way does that mean he endorses this plan. He will make very clear he does not. He strongly disagrees, as is his right. But I do want to recognize the very good working relationship we enjoy.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from North Dakota, Mr. CONRAD, yields the floor.

The Senator from New Hampshire is recognized.

Mr. GREGG. Thank you, Mr. President.

Let me first thank the chairman for his generous comments, and let me second those relative to himself and his staff.

We obviously have a deep difference of opinion as to the best way to proceed relative to shepherding the financial house of our Nation, and especially specifically relative to this budget that has been sent to us by this President. But I have an immense amount of respect for him and his staff, who are professional and extremely courteous, and we have a great personal and working relationship, which actually makes the job much more enjoyable as a result of that.

And, of course, we send to North Dakota our deep concerns about what they are going through with the floods. I know the Senator was out there this weekend supporting the folks who are working so hard to try to protect their communities—an amazing story: 80,000 volunteers in a town of 90,000. It is very impressive. Let's hope the waters recede before they do any more damage.

I should mention that UNH beat North Dakota in the hockey game this weekend in the NCAA. I noticed my colleague from North Dakota did not actually mention that.

Mr. CONRAD. Mr. President, if I could say, our hockey team lost to his hockey team in the last one-tenth of 1 second. I say to the Senator, our Congressman in North Dakota said: We don't want the flood fight to have the same outcome.

Mr. GREGG. Nor do we.

Mr. CONRAD. We don't want to have won this right to the end and then lose it at the end. So even the hockey game has provided inspiration for the flood fight. We wish we had won the hockey game, but it is most important that we win the flood fight.

Mr. GREGG. It was an exciting game, and North Dakota played extraordinarily well.

Mr. President, we do differ on this budget. The budget that has been proposed by the President of the United States has essentially been given its stamp of approval by what has been brought forward by the Senator from North Dakota. There are virtually no differences. As Director Orszag said, they are 98 percent the same, and they are.

This budget, in our opinion, represents a clear and present danger to the financial health of our Nation and to the financial security of our children. It is a budget which spends far too much money, taxes far too much, and borrows an extraordinary amount—it is clearly far too much. It basically repeals the essential laws of common sense—the essential laws of common sense—that say you cannot simply keep spending at a rate that you cannot afford to pay for forever and not have to suffer as a society, and suffer significantly.

Margaret Thatcher sort of captured the tempo of this budget. To paraphrase her, she might have said about this budget: The problem with the Obama budget is that at some point you run out of money.

If you follow the proposals of this budget, you are going to run out of money sooner rather than later. In order to understand this budget, you have to understand the dramatic nature of this budget. Historically, when we have debated budgets in this body, they have been important because they obviously represent guideposts for our Congress, but they have not been a philosophical document that has redirected the Nation fundamentally.

On the part of the President—I give him credit that he is not trying to hide this—his budget openly attempts to redirect the Government of the United States and move it significantly, dramatically to the left, expanding the role of the Government in all sorts of areas, expanding the cost of Government in a historic way, and expanding the burden of the Government in the area of taxes and in the area of borrowing in a way which we have never contemplated as a nation.

To try to put it into perspective, under the budget prepared by the President and sent up here—and it is essentially the same as the budget we are receiving from the Senate Democrats today—the President's budget doubles the national debt in 5 years. That is pretty bad. Then it triples the national debt in 10 years. And that is intolerable.

Now, I have tried to figure out how you explain to people what $1 trillion or what $15 trillion is or what $17 trillion is. It is very hard. Conceptually, it is extraordinarily difficult to get your hands around what $1 trillion is.

As you can see, I had this chart made up when the original estimate was $15 trillion—it went up to $17 trillion—to show the number of zeros here. It is a staggering amount of money that is being added to the Federal debt. You have to ask yourself: Who is going to pay all this money? This is real money. It has been spent on programs the President wants. Who is going to pay it all? Who is going to pay $15 trillion—with all of these zeros?

Well, unfortunately, our children and our children's children get that debt. It gets put on their backs. At the end of the President's budget, the average household in this country will owe $130,000 in debt for the Federal Government—$130,000. They will have an interest payment on this debt—the average household—of over $6,000. So the debt they are getting may actually exceed the value of their house.

Put another way—which was first coined by my esteemed chairman—he designed this wall of debt. This is the wall of debt, as shown on this chart. This is what the Federal debt does over the period of the Obama budget. It goes straight up. It is a massive wall of debt, which is an incredible burden on our Nation, and really an unacceptable burden if you are going to be accurate about it.

To try to put it in a more understandable term, as shown on this chart: This is a picture of President Obama, of course, on the right side of the chart. On the left side of the chart are pictures of all the Presidents we have had in our Nation since our Nation began 232 years ago, starting with George Washington and going through George W. Bush.

In that period, from George Washington through people such as Madison, Adams, Lincoln, Grant, Hayes, Wilson, Roosevelt the first, Roosevelt the second, Truman—in this period from George Washington all the way through George W. Bush, we have accumulated about $5.8 trillion of national debt. That is how much those Presidents added to our national debt.

Within the first 5 years of this Presidency, President Obama will add more debt on the backs of our people and our Nation than all these Presidents put together. Within 5 years, he will have taken the total debt put on the backs of Americans and doubled it since the country began—a staggering fact.

Now, does this have to happen, the addition of all this debt because of the fact that he has inherited a terrible situation? And he has, and we all admit to that; this economy is in a very difficult way. No, it does not. Yes, in the short term there has to be a government that is run at a deficit in a very significant way in order to try to get the economy going because we all understand the Federal Government is, right now, the only liquid entity around here. So the money is being pumped into the economy to try to give it some lift.

But this recession is not going to go on forever. We are a resilient nation. We will recover from this recession. It will be over hopefully sooner rather than later. But it certainly is not going to run that much longer in the terms of this Presidency. Certainly, by the midterm of this Presidency, we should be out of this recession.

So you would presume—you would presume—at that point, say, in 2011 or 2012 at the latest, the spending of the Government and the deficit of the Government would start to come under control, that there would be some attempts to bring it down and manage it in a more historic way.

Unfortunately, that does not happen under this budget. What the President is proposing is that we continue to grow the size of Government at an extraordinary rate, independent of whether we are in a recession. The average deficit over the term of this President's budget is $1 trillion a year—$1 trillion a year. That is a staggering number. To put it in a historical context, that adds up to about 5 to 6 percent of gross domestic product, and historically the deficit has been about 2 percent of gross domestic product. At the end of this Presidency, the public debt, which is what people own outside the Government, will be 80 percent of the productivity of the country—80 percent of the productivity of the country. What does that mean, 80 percent of the productivity of the country? Well, historically, the public debt has been about 40 percent of the productivity of the country, but under this President, he is going to take that public debt very quickly up to 60 percent, then to 70 percent, and then, by the end of the period of the budget proposed, it will be at 80 percent. That is such a high number, when you couple it with the deficits of $1 trillion a year, that you get to a point where it is simply not sustainable. That is why this budget is a clear and present danger to the fiscal health of this Nation and to the opportunities of our children. In fact, ironically, if the United States were to try to seek membership into the European Union—which, of course, we have no interest in doing, but those are all industrialized nations and they do have a standard for operating their governments in a responsible way. The standard of the European Union is, public debt can't exceed 60 percent of Gross Domestic Product, that deficits can't exceed 3 percent of GDP. We will be twice that number, and it is not sustainable.

Now, did this have to happen? Did the President have to run up these debts? If we had stayed on a pure glidepath and done nothing—in other words, operated the Government as it is—as it is—this blue line would be the cost of the Government. We would actually almost be in balance by the year 2018. That is current law. Now, CBO uses very arcane rules as to how it builds a baseline, but it is the baseline that we determine as a Congress to use. I wouldn't accept that baseline as a recipe for future policy because there are some tax increases in there I don't like, but even if you were to factor out the tax increases, the line would come in the middle here. The reason this goes up so significantly, the reason President Obama's budget goes up so significantly in its deficits is because they propose a radical increase in spending. It is pretty much that simple. It is not about economics or taxes; it is about spending. Essentially, the President's proposal is to incredibly increase the size of the Federal Government and the amount it spends, not only in the short run, which we all accept is necessary—although it has been poorly handled relative to the stimulus bill; worse than poorly handled, it has been a waste of money relative to the stimulus bill—but this is the spike in spending to reflect the deficit and the attempt to address it through the stimulus bill. But look here: After we are out of the recession in the year 2011, the line keeps on going way up—way up—to 25 percent of GDP by the end of this budget.

Well, you say, what does that mean, 25 percent of GDP. Well, how big a government is relative to the productivity of the economy defines how productive the economy will be. You can't have a productive economy if the Government is taking out all the money. It doesn't work very well. Historically, we as a country have tried to keep—and this is the black line here, and you will see it has been very level ever since the year 1958—this is the average, this black line, of how much spending the Government has done. It is around 20 percent of GDP, the product of the United States. Under the Obama years, as proposed by President Obama, that is going to be increased at a staggering rate—huge increases in spending.

President Obama is not trying to hide this. He has not tried to be—he has been very open about it. He said, to paraphrase him, essentially: I believe we create more prosperity by expanding the size of Government in a number of areas. In fact, if you listen to the Senator from North Dakota, he listed all these areas they are going to explode the size of Government in, moving it dramatically to the left, and increasing it at an incredible rate. In the budget document he sent, he said exactly that. He said: At this particular moment, Government must lead the way in providing the short-term boost necessary to lift us from a recession that is severe and lay the foundation for prosperity.

He went on to say he intended to do this by spending a great deal of money on his priorities, which were clean energy, education, health care, and new infrastructure. However, he doesn't stop spending the money after this recessionary period; he keeps it going into the outyears at a rate which is not sustainable. It is simply not sustainable. You can't take the money from the productive side—from the people who are working and producing jobs and taking risks and going out there and actually producing wealth for this Nation, in the sense that they are actually producing something we have to sell and use in trade and basically create jobs as a result of that—you can't take the money from them and move it over to the Government at a rate that exceeds the historical norm at this level and expect you are going to be able to maintain prosperity for the years to come. It doesn't work. It does not work. As Margaret Thatcher says, you eventually run out of money.

The effect of this massive increase in spending is a massive increase in debt. This is the national debt, publicly held debt, which I discussed before, as a percentage of GDP. It averages about 36 percent since 1958. That is the black line right here. It has been up, it has been down, but that is the average. Under President Obama's plan, it goes straight through the roof, and this, I say to my colleagues, is the threat. This is the threat. This is the clear and present danger to our people, to our Nation, and to our children's future, because when you get debt up to that level, you are not able to function as a government. People get concerned about buying your bonds and buying your dollars and using your currency.

You don't have to listen to me to find out that is the case. The Chinese Government has made that very clear, and they happen to be the biggest holder of our dollars. In fact, the chairman is always talking about how outrageous it is that the Chinese own so much of our debt. Well, they own it because they considered it to be a good investment, and if they didn't own it, we would be paying a lot more in interest payments and in taxes in this country and our dollar would be less valuable. But Mr. Zhou, the governor of the central bank in China, has said he is getting concerned about this crisis and about the value of our dollar. The Premier of China said: "We lent such huge funds to the United States and, of course, we are concerned about the security of our assets."

Well, it is disconcerting and obviously not very nice to find out for us as a nation—one that has always considered itself to be a reasonably independent and strong Nation, the most independent and strongest in the world—that the Premier of China, who owns most of our debt outside the United States, is worried about it.

Why is he worried about it? Why are the Chinese worried about it? Why are the other nations which buy our debt worried about it? Because they look at this line, they look at this budget. This isn't done in a vacuum. They know what this budget proposes. The President's budget proposes massive increases in spending but absolutely no fiscal discipline. It has discretionary spending jumping by $1.4 trillion—trillion—it has mandatory spending, a net mandatory spending increase, as it was sent up here, of $1.1 trillion, and it has zero savings in the core accounts, which are mandatory accounts. That leads to these massive debts.

It also has, interestingly enough, $1.5 trillion in new taxes. Now, that is a pretty staggering figure in and of itself, $1.5 trillion. I was entertained to hear my colleague from North Dakota say: Well, actually, we get a tax cut in this bill. That is going to come as a real surprise to all the people whose taxes are going to go up very significantly as a result of this budget. For small business people, taxes are going to go up dramatically as a result of this budget. People who take charitable deductions and homeowner deductions in the higher brackets, their taxes are going to go up, which will probably affect charitable giving under this bill.

But the most insidious tax proposed in this budget is something euphemistically called a carbon tax. Well, what is a carbon tax? That is a way to bury a term so you never understand what they are doing.

A carbon tax is literally a new national sales tax on your electric bills, a brand new national sales tax. We don't have a national sales tax in this country. What is being proposed in this budget by this President is a brand new national sales tax on your electric bill. So every time you hit your light switch in your house, you are going to get hit with a new tax—a sales tax—and it is a big one. It is a big one. The White House sent this specious estimate of it. They said it was $646 billion, but that was low-balling the number. MIT, which doesn't have a dog in this fight, took a look at a similar proposal, along with a number of other groups, and they said it would actually generate over $300 billion in new taxes every year. It works out to about $3,000 per household. So everybody living in America today who has an electric bill or other energy bills, as a result of this new national sales tax, if the President gets what he wants, is going to pay $3,000 more in taxes a year, on average, for their energy bills. That is a huge tax, and it is an incredibly regressive tax. I saw this chart that the chairman brought up, saying we are going to create green jobs. That is all about this energy tax, by the way. That is akin to calling it a carbon tax; they are going to call it creating green jobs. What are they going to call the jobs they are sending overseas? Because industries in this country, which have to use a lot of electricity—those are the hard-core industries that we still have in this country—can no longer compete because they got hit with this massive increase in taxes on their energy production and use. What are they going to call those jobs? Green jobs sent overseas? The simple fact is, this type of tax increase is incredibly regressive. Sales taxes are regressive by definition, but a sales tax that is targeted on the productive side of the ledger, as this one is, is exceptionally regressive, as is the dramatic increases in taxes on small businesses in this country.

Now, my colleague has said a number of things about how their budget is different from the President's. It is a little bit different, but it is 98 percent the same, and that is the score. I think I have a chart which reflects that. This is the difference between the two budgets. They are identical on discretionary for all intents and purposes, identical on outlays, identical on revenues. Interestingly enough, however, CBO came back and gave us—CBO is the Congressional Budget Office—an honest evaluation of the President's budget, and some of the things they said, which hopefully scared a few people around here, were that the President's budget increased deficit spending by $9.2 trillion over 10 years, $2.3 trillion more than what the President had told us; that on an annual basis, it averages out to a budget deficit of about $1 trillion a year, and that the percent of public debt jumps, as I have mentioned, but it needs to be reemphasized that it jumps from what it is today to 80 percent of GDP. The deficits jump to 5 or 6 percent of GDP.

The administration has had both the Treasury Secretary and the OMB Director up here over the years—the OMB Director has been coming up here for years but the Treasury Secretary just recently—testifying that the deficits in excess of 3 percent weren't sustainable. They said that; we didn't say that.

So when CBO honestly evaluated their budget and did things such as actually calculate the fact that there was 8.1 percent unemployment, and it is probably going to go up and, as the President said, the top rate would be 8.1 percent, but we weren't there yet—when CBO put the real numbers onto the President's numbers and got these massive increases in spending and in debt, well, these folks decided that we cannot have that. They wanted to get that back down to 3 percent. Did they do it by reducing spending or reducing any of the President's spending initiatives? No. Zero. Do you know how they did it? They did it by playing the old-fashioned games around here of smoke and mirrors and hiding the ball, saying one thing but meaning another.

The President, to his credit, and to the credit of Mr. Orszag, was forthright in their budget, which was probably as close to an honest statement—with exception of the defense number—of what was really happening here relative to spending and what was going to happen as we have had in a long time. I congratulated them for that and still do. But we went backward with this proposal from the Democratic leadership. So that they could get it below 3 percent as a percentage of GDP and get their deficit and debt numbers down, they left out of their budget $1.1 trillion of spending and taxes that President Obama had in his. They are not different, so it is just games. They didn't score their budget correctly or honestly or straightforward. Their budget becomes the "tax too much, spend too much, borrow too much, and now hide too much" budget. At least the President's budget wasn't a "hide too much" budget, although his defense number has serious problems with it. At least he didn't take $1.1 trillion in very illusory action, moving the shell around so that you cannot find the real numbers, claiming they made real savings in those accounts. It is actually just pretty ridiculous to take that step backward.

Of course, they now claim that they cut the deficit in half. Now, that is where we depart from common sense. There are a lot of things on which they tried to repeal the law of common sense in their budget, but this is the most outrageous. First, they increased the deficit fivefold and then they reduce it back to half of that and then claim they are cutting the deficit in half. That is like taking six steps back, three steps forward, and saying you are making progress. You are not making any progress. They are so far out of whack with what has been the historical norm that it is not even acceptable. The deficit they ended up with after taking six steps back and three steps forward is still in the 4-percent range. It is still throwing debt on the books at a rate you cannot afford, and it is absurd to claim that is fiscally responsible.

Well, before I get into what we would do, I will mention a couple of gimmicks that are played here because they are beyond the shell game gimmick, which is pretty outrageous—moving around $1.1 trillion so they don't have to put it on the budget. They take it off budget, essentially, so they can look as if they are doing better than the President, even though they have the exact same policies and numbers as the President, for all intents and purposes.

They do a couple other things. They have reserve funds—lots of them. This is a way to make like you are doing something that is fiscally responsible by saying: You cannot spend this money unless you can pay for it. The only problem is that they make the reserve funds in the most critical area—specifically, health care, which we all know we are going to want to address this year. They create this incredible activity. They put into place a health care reserve fund, which means they are going to rewrite the policy of health care for this country. Every part of this Nation is going to be affected.

You heard the chairman say that 17 percent of the gross domestic product in this country is involved in health care. The purpose of this proposal—the health care reserve fund—is to address that 17 percent. There is virtually nothing in this country that isn't affected by that. Either everyone is directly affected or a member of their family is or their job is.

There is a rule here called pay-go, which has become the mantra of the other side of the aisle about how they are going to be fiscally disciplined. I never heard anyone from the Democratic party or the Congress, including the President when he was running for President and running for Senate, fail to talk about how they were going to use pay-go to discipline the Federal Government because it implies that they are going to pay for what they are doing. It is a great term, by the way. The only problem is, they don't ever use it. They claim they are going to do it, but they never do. I call it ''Swiss cheese-go'' because there are so many holes in it. In the last 3 years, when the Democrats ran the Congress, they avoided pay-go in the amount of $341 billion in spending.

This health care trust fund is a brazen act of putting a hole in pay-go. Up front, they say we are not going to apply pay-go to health care reform. Pay-go has a rule that says that in the first 6 years you have to meet it, and the second 5 years you have to meet it. No, we are not going to do that; we are going to be able to spend it over 11 years before you have to meet the pay-go rules. Why don't you just give it up and say we are not going to discipline ourselves. There is no pay-go rule, and it is a problem.

The second gimmick that really concerns me—it is more than a gimmick—is a big-time exercise of threatening the prerogative of the Senate and the constitutional purpose of the Senate, which is the use of reconciliation. This is a term of art, and nobody outside the Congress really understands it. Essentially, reconciliation was put into the budget process when the budget was created for the purpose of making sure that what the budget said should be spent or should be taxed actually occurs, so that there was a procedure to reconcile—to say to committees if they exceeded a certain amount of spending and it wasn't inside the budget: You must change that spending; if your tax policy created more of a deficit, you must change that tax policy. It is a procedure which, over the years, has evolved. It has been used aggressively by both President Clinton and President Bush to pursue policies that already exist or to adjust policies that already exist—whether it happens to be already existing laws on welfare or existing laws on tax policy. Yes, it has been used effectively and aggressively in those areas. But it has never been used to create a brand new policy on something that has as dramatic and all-encompassing and pervasive effect on the American public as to change the entire health care system or something like that. It has never been used to create out of whole cloth, ab initio, a brand new major tax system, such as a national sales tax on electric bills, and its use is solely a purpose of the Senate. The House doesn't need reconciliation.

How does reconciliation work? It basically eliminates the prerogative of the Senate to amend the bill. The greatest prerogative of the Senate is that we have the right to debate, to discuss, and to amend legislation. The House doesn't have that right. The House has something called a Rules Committee, and it is under the control of the Speaker. The membership of the Rules Committee is made up 2 to 1, plus 1, so the Speaker could never lose a vote in the Rules Committee. The Rules Committee sets out for the House of Representatives when a bill comes to the floor—no matter the policy of the bill—and that you will have this many hours of debate and they will allow this many amendments and here is what they are. They can run through a bill in a half hour if they want. That is the way the House has functioned for years. It is the way the House was supposed to function when it was set up constitutionally. The Senate, on the other hand, has no such rule. When a bill is brought to the floor of the Senate, it is open for debate, discussion, and amendment. If you can get 60 votes, you can get it off the floor.

The budget sets up a process to allow the Senate to function more like the House. The budget is on the floor for 50 hours of debate. Amendments are allowed—any amendment, really, but at some point people run out of energy and stop offering amendments—and there has to be a vote.

In order to reconcile parts of the budget, the reconciliation system was set up where there is 20 hours of debate and virtually no amendments because they would have to be germane, and that is a high standard to meet here.

So the reconciliation situation is that it allows you to basically ram through the Senate—as you would through the House—a bill without amendment, discussion, debate, or amendments. It is a huge weapon. If used incorrectly, it fundamentally undermines the constitutional purpose of the Senate. It turns the Senate into the House of Representatives and makes us a body in which amendments are not allowed and debate doesn't occur, of any significance. It has a truly debilitating effect on the idea that you will have a body in this constitutionally structured Government of economics and balances where debate occurs vociferously and aggressively and where problems can be aired out in a more timely and orderly manner than occurs in the House of Representatives. So it should never be used to ab initio create a massive, new program, such as a tax on everyone's electric bill. It should never be used for the purpose of undertaking a major policy event, such as rewriting the health care of the United States, which will affect everybody.

To the chairman's credit, he doesn't have it in this bill. He understands that. He has spoken out fairly effectively on this point—probably more concisely and effectively than I have spoken on it. But the House of Representatives has put reconciliation instructions in. What earthly reason could there be for the House of Representatives to put reconciliation instructions in their bill? They don't need it; they have a Rules Committee.

It is obvious. This is a game, a very dangerous game. The House puts in reconciliation instructions but the Senate doesn't put it in because the leadership knows that maybe it cannot get that across the floor and doesn't want a vote on such a thing. So they can take it to conference and, much to nobody's surprise, the conference budget comes back with reconciliation instructions, which control activities on the Senate floor.

It is totally inappropriate that the House should be dictating to the Senate how we are going to legislate and structure our debate system here on the floor and try to make us into the House of Representatives. It is unconscionable in the context of the constitutional structure of our Government. Yet that is the game that is being played here, and it is a cynical game. It is totally wrong. If for no other reason, everyone in this body should not vote for a budget that has reconciliation in it.

On our side of the aisle, we think we can do better. I have talked at some length about the clear and present danger this budget represents to our children because of the massive increase in debt. We don't think that has to be the course of action. You don't have to run the spending of the United States up to 23 percent of GDP, which this chart reflects, way above 25 actually, way above the historical norm. That is not necessary. Short-term spending may be necessary for this significant problem we have with the recession, but you do not have to take the Government and expand it radically, move it to the left, and spend money on what these groups are and constituencies are at this rate. The Government should live within the basic historic norm of 20 percent of GDP as part of its spending. That is where we part ways philosophically.

The President genuinely believes, and the party passing this budget, the Democratic Party, generally believes you create prosperity—and the President said it; he used those terms—you create prosperity by expanding the Government significantly in these different areas of social interest. You do not if you are spending up those areas so much that people cannot afford it.

It does not happen that way. The way you create prosperity is by keeping Government at an affordable level, doing what it is supposed to do while you give individuals the ability to go out and be productive, take risks, and create jobs. That is a difference of philosophy here.

When the President proposed in his budget the way he is going to address health care, where we presently spend 17 percent of our gross national product on health care right now—that is 5 to 6 percentage points more than the next closest industrialized nation, so there is a huge amount of money being spent on health care—he proposes we explode that spending by another $1.2 trillion. We don't have to. We can get every American insurance, and good insurance, without radically increasing the amount we are spending on health care. We can do it by more effectively spending the money we already have in the health care system.

If you are spending 17 percent of the gross domestic product on health care, you do not have to take it up to 18, 19, 20 percent. In fact, if you do, you are probably not getting much efficiency out of it. Rather, spend more efficiently the money you are already spending.

We believe as a party that everybody has a right to decent health care insurance, and we also believe as a party we can do that within the context of the money that is already available by being more efficient, by giving people more choices, and by not putting the Government between patients and their doctors. We do not believe in nationalizing the health care system, which is basically what these numbers are, the stalking horse for, that the President is proposing.

In the area of energy, the President's answer to energy is that you put in place a new national sales tax, as I have mentioned before, on every electric bill in this country, everybody's electric bill, so that when you turn on your light switch you get hit with a new sales tax. That is probably not going to produce a whole lot of energy. It is going to probably undermine the productivity of our economy, and it certainly is going to ship a lot of jobs offshore.

The way to produce a better energy policy is to look in an environmentally sound way for more American supply and you can conserve more energy. So we drill, and we can drill in an environmentally sound way in identified offshore areas and produce more American energy. You create more powerplants through using nuclear power, a totally clean form of energy from the standpoint of pollution to our air. You use wind, solar, and other alternatives, but you acknowledge the fact that you cannot possibly get to the goal we have to get to, which is enough energy to continue to maintain our international competitiveness as a nation and continue our prosperity as a nation, if we are just using solar and wind.

Solar and wind make up 2 percent of our national energy supply. If you triple it, you only get 6 percent, and tripling it would be a little difficult because there are a lot of people who do not want windmills in front of their houses, whereas nuclear can be expanded, whereas we can drill and find more American energy more effectively, whereas we can use oil shale, which we have more of than Saudi Arabia has oil, to produce energy more effectively, and we can be more conservation minded, and there is agreement on that, obviously, on both sides of the aisle. But you do not accomplish this by sticking the American people with a brand new national sales tax.

In the area of cost discipline, clearly we do not have to run up spending at these rates. We should bring them back down, and the way you bring them back down is by addressing entitlement spending.

This budget that was sent up by the President of the United States, who claims he is interested in fiscal responsibility—although, obviously, it is sorely tested by the numbers in this budget, these trillions of dollars of new debt—does not, on net, reduce the entitlement accounts. He does suggest that Part D premiums be paid for in part by wealthy people. I agree with that. We have actually offered that amendment on our side of the aisle for the last 2 years under this Democratic Congress and were beaten every year on that proposal. I am glad the President is on our side this time. Maybe we will be able to adopt it. It is called the Ensign amendment.

The fact is, unless you have a comprehensive approach to disciplining entitlement spending so it is affordable, and we continue to deliver reasonably good quality care and support to senior citizens, we are not going to get these spending issues under control. You cannot kick this can down the road, as the President has said. You have to start, and the President has not started now. This budget has nothing in it to that effect.

In one other area where we would do something significantly different is defense. This budget basically assumes a declining funding of defense for the next 10 years that is significantly less than what is presently funded as a percentage of GDP.

We are at war. I wish al-Qaida was going to go away. I wish these folks who represent such a huge and immediate threat to us, especially if they get their hands on a weapon of mass destruction, did not exist, but they do. They do exist, and they are a threat—a very significant threat. We cannot confront them through goodwill because they are not interested in goodwill. We have to confront them with a military that is properly funded, properly cared for, and properly armed. That, unfortunately, takes money.

The first obligation, the first absolutely most important obligation of the Federal Government is national defense. Yet this budget, first, does not include sufficient funding for the President's war costs and, second, as a practical matter, it simply assumes that you can run the military on the cheap, I guess, and that is a big mistake.

We do have differences, as Chairman CONRAD has said, over how this budget is structured. They come back to this very core issue of debt, of what we are leaving our children, what we are passing on to our children. It is simply not right for one generation to give another generation less than what we received from our parents.

We, as a nation, have always—always—had the older generation pass to the younger generation a better, stronger, and more prosperous nation. Yet we are now on a pathway, if this budget is followed forward, where the debt and the deficits will be so high that our children will not be able to have as good a life as we have had. The cost of maintaining this Government will so burden them their ability to finance a home, buy a home, send their kids to college, or just live a lifestyle that is something of the level and enjoyment and prosperity that we have had will be seriously—seriously—threatened. It is not fair to do that, not fair for one generation to do that to another generation. Yet the numbers do not lie.

I understand the Democrats did not want to show us the second 5 years of the budget. They hid it, along with a lot of other things they hid, in this budget, but the President showed us the second 5 years of the budget. Every American should take pause because when you see the debt go up by $9.2 trillion, when you see the public debt ratio to GDP go to 80 percent, when you see deficits annually of $1 trillion a year on average for as far as you can see, when you see a deficit rate of 5 to 6 percent of GDP, you are talking about a country which is headed toward a fiscal crisis the likes of which we probably have not seen since the Great Depression. It is a country which cannot afford its Government. It is a nation that will be passing on to its children significantly less than was passed on to us.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LIEBERMAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. 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. GREGG. Mr. President, I ask unanimous consent that for the remainder of this debate on the budget over the next 50 hours, the time be equally divided under a quorum call.

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

Mr. GREGG. 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. CONRAD. 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. CONRAD. Mr. President, I would like to come back to the argument I continue to hear advanced—that because we have gone from the 10-year budget the President proposed to a 5-year budget, something is being hidden. I don't believe anything is being hidden from anyone.

Of the 34 budgets the Congress of the United States has done since the Budget Act, 30 of them were 5-year budgets—30 of the 34. Only four were 10-year budgets. The reason Congress has tended to do 5-year budgets—not just tended to but overwhelmingly has done 5-year budgets—is that the outyear forecasts are notoriously unreliable; notoriously.

Some have said I criticized the previous administration for not doing a 10-year budget. Indeed, I did—because I believed they were trying to hide the effect of their tax cuts in the second 5 years. But this administration did not do a 5-year budget. This administration did a 10-year budget. There is nothing hidden. It is all out there for anybody to see. The Congressional Budget Office has scored the President's 10-year budget. Some of us have expressed concern about the second 5 years.

People get in a habit around here and they get used to doing something a certain way, they get used to criticizing budgets a certain way so they keep doing it. It was legitimate to criticize the previous administration for not doing a 10-year budget. It was legitimate to suggest they might have something to hide. But this administration did a 10-year budget. We in Congress—remember, ultimately the budget is a congressional act. The President does not have to sign it. It does not become law. Congress has almost always done a 5-year budget; 30 of the 34 budgets written under the Budget Act have been 5-year budgets, including the last 5, including 2 in which Senator GREGG was the chairman. Again, it has been done that way, number one, because the outyear forecasts have been notoriously unreliable and, number two, because we do a budget every year.

In fact, there is some question whether a 5-year budget is required because we are going to do a new budget every year. So what matters the most in any budget is the first year.

But I did wish to address that because I see this criticism. I saw it in the David Broder column. I have immense respect for him. I saw it in the David Rogers column. I have immense respect for him. But I don't think the criticism applies in this particular situation. Nobody has been more clear, publicly or privately, than I have that the second 5 years of the Obama budget raises a real concern about the sustainability of our fiscal direction.

Let me just say, if you took my budget, which is a 5-year budget, the budget that came out of the Budget Committee, and extended it for 10 years, you would see dramatically lower deficits and debt than in the President's budget. In fact, I believe the first 5 years we have saved $600 billion from the President's proposal. In the second 5 years the total savings—for the 10 years, if we extended our budget 5 years, would be over $2 trillion. That is just in the nature of the beast. You know, the savings grow over time. We have put in $600 billion of savings in the first 5 years.

With respect to the question of spending, we are only increasing domestic spending—and that includes defense, that includes international, and that includes domestic spending in the appropriated accounts—5.3 percent. That is a modest number. Some of our friends on the other side want to absolutely freeze spending. I say to them I think that would be a serious mistake in an economic downturn, to absolutely freeze spending. In this situation, where the economy is contracting sharply, consumers cannot fill in the gap. They are tapped out, and they are worrying about losing their jobs. Companies cannot fill in the gap because they, too, are threatened. The only entity with resources to step in, to fill the breach, is the Federal Government.

One of the things we learned in the Great Depression was that profound mistake that was made was not necessarily on the fiscal policy side—although that didn't help—but the biggest mistake was on the monetary policy side controlled by the Federal Reserve. They did not expand the money supply. They did not provide liquidity to prevent the contraction from deepening, from growing, and from becoming far more destructive.

Thank goodness we have learned. That is not what is happening here. The Federal Reserve is providing liquidity, and that is on the monetary side. On the fiscal policy side, we did pass a large stimulus package—as imperfect as it was. We provided a large stimulus package to help fill in some of the gap between where the economy should be and where it is, the gap that was exacerbated by a more than 6-percent contraction in the economy in the fourth quarter of last year.

I believe we are doing many of the right things—again, however imperfectly. If I were able to design the stimulus package, I must say it would have been much different. I would have put much more money into infrastructure. I believe that would have been a better way to stimulate the economy. Even so, there was substantial infrastructure in the stimulus package. Not as much as I would have preferred but, nonetheless, a significant amount. Additionally, I think the Federal Reserve is going in the right direction with respect to the policies it is pursuing in terms of providing liquidity and credit.

When we talk about Hoover economics that our colleagues on the other side of the aisle embraced back in the 1930s, the fundamental assumption was that markets were self correcting. That is what Hoover economics was founded upon, the notion that the Federal Reserve did not need to take countercyclical action and that the Federal Government did not need to take countercyclical actions in terms of helping people who were unemployed. Hoover opposed providing that kind of Federal Government assistance.

Today we know that such assistance actually one of the most stimulative things you can do because that money gets into the economic bloodstream very quickly. It gives lift to the economy, it reduces the size of the contraction, it reduces job loss, it reduces more and more homes going into foreclosure because people can't pay their mortgage, it reduces the vicious cycle that can suck down an economy.

I just wish to be clear. When we have been critical of their stance against stimulus, their stance against doing the things that are being done by the Fed, they have this mantra they chant. Too much spending—let me look at our budget in terms of spending. In the short term, yes, spending increases because you are countering the cycle of the economy, so we are up to 27 percent of GDP in spending this year. But then we step it down to 22 percent of GDP, of gross domestic product, by the fifth year. So that is going in the right direction—even for our friends on the other side.

They say too much taxes. Let me remind them, in the President's proposal, on a net basis, according to the Congressional Budget Office, his budget cuts taxes $2.2 trillion. That is a 10-year budget. Our budget on a 5-year basis cuts taxes $825 billion, on a net basis. Yes, there are some tax increases on those of us who are high-income earners. Yes, we have our taxes increased somewhat. But on an overall basis, the President's budget has significant tax cuts from current law, as does the budget that is before us now.

Third, they say too much debt. Look, I am in agreement with them. But where were they in the good times during the Bush administration, when they doubled the debt of this country? They doubled the debt of this country when economic times were relatively good—until the end of the Bush administration when the economy collapsed. That is what this President inherited. He inherited an economy that was in full collapse: It declined 6 percent in the last quarter of last year; an economy that was in free fall; an economy with a housing crisis, a financial crisis, a banking crisis, and a fiscal crisis.

I say to my friends on the other side, it was their policies that put us in the soup. It was their policies of doubling the debt, of tripling foreign holdings of U.S. debt, that put us in this ditch. Now this President has to try to clean up the mess and part of cleaning up the mess is higher deficits and debt in the short term. That is unavoidable. That was already happening in a very dramatic way before this President ever took office. He inherited a deficit. If he had done nothing, he would have inherited a deficit this year of $1.3 trillion. That is after our friends on other side had already doubled the debt over the previous 8 years, and, worse, tripled foreign holdings of U.S. debt. Now we have China as the biggest creditor and our friends here say: Gee, China might not continue to finance our debt.

My friends, where were you? I warned about that starting in 2001. Anybody can review the record. You can go back and look at what I said on the public record over and over and over, that we were headed for big problems financing our debt. The party on the other side did not seem to respond.

Now, all of a sudden, they are concerned about the debt they have passed on to this President. That is not fair. I am plenty willing to say, as I have said publicly, the second 5 years of the Obama budget needs a lot more work. We are going to have to do a lot more to keep the deficit going down. But the first 5 years is a good start for the President's budget and ours is even somewhat better. In fairness to him, we had to make additional adjustments in his budget because the Congressional Budget Office said we lost $2.3 trillion in revenue—$2.3 trillion from the forecast the President was working off of that was made some time earlier.

I hope, in this debate, we do not try to lay at the desk of this President, who has been in office less than 3 months, disasters he inherited. No. No, we are not going to let that happen. That is not going to go unconfronted because that is not fair. This President walked into more crises than I can think of confronting any President, going back to Franklin Delano Roosevelt—a housing crisis deeply underway before he ever took office, a banking crisis deeply underway before he ever took office, a financial crisis deeply underway before he ever took office. So let us be fair in this debate and discussion about where responsibility lies.

Barack Obama, President Obama did not create any of these problems. He has been asked to clean up the mess and an incredible mess it is.

One other point I wish to make, and a place where I do strongly agree with Senator GREGG, is the need to do much more for the long term. That is why he and I have proposed a 16-member task force given the responsibility and the authority to come up with a plan. If 12 of the 16 could agree, that plan would come to the floor for a vote because I do not believe we are going to get through this without special measures and special procedures and a process to take on this long-term debt bomb that overhangs our country. But let's be fair about who is responsible for building the foundation of this mess. It does not lie at the feet of President Obama.

I see the Senator from Alaska. Is the Senator seeking time?

Ms. MURKOWSKI. I am, in morning business.

Mr. CONRAD. This would be a perfect time. I would be happy to yield the floor and give her an opportunity. While the Senator is getting ready, she has, as the Chair knows, has had a skiing accident. We are glad to see she is up and ambulatory and here at work. We are delighted she is back.

I yield the floor.

The PRESIDING OFFICER. I think we will soon see that the Senator from Alaska is not only ambulatory but her vocabulary is working quite well.

The Chair recognizes the Senator from Alaska.

Ms. MURKOWSKI. Mr. President, I ask unanimous consent to speak as in morning business.

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

MOUNT REDOUBT ERUPTION

Ms. MURKOWSKI. Mr. President, today I am rising to talk about an issue that has captivated my constituents in the State of Alaska. We have got a mountain that is erupting. Mount Redoubt, which is located about 150 miles southwest of Anchorage, our largest community, has been more than active in the past week or so generating a great deal of press, a great deal of interest, and a considerable amount of impact in my State. So I wanted to take a few minutes this afternoon to talk about what is happening up North, talk a little bit about the importance of volcano monitoring.

I think we are all aware that there have been some recent comments made about Federal spending for volcano monitoring, and the suggestion that perhaps this might be wasteful money in that we do not have any need to be monitoring volcanos.

I can assure you that monitoring volcanos is critically important to the Nation, to the world, and particularly to Alaska right now, where, as I say, we are being held hostage by a volcano.

A little bit of a personal note here. This afternoon—my boys' spring break concluded last evening. We have been up in the State enjoying spring skiing. And they are grounded by Mount Redoubt. They may be home Wednesday evening. Now, others might think this is a bad thing, but for these young pages here this morning, when you are 17 and you are shut out of school for an additional 3 days after spring break concludes, and you have to stay in Alaska and keep skiing, maybe the volcano is not a bad thing.

But there is a very serious aspect to what we are talking about. Mount Redoubt has erupted 17 times now since March 22. And when it was initially under watch, you would see the steam and the haze coming off the volcano. But then we started to see some pretty significant eruptions, eruptions that would go 65,000 feet up into the air.

This is a picture of Mount Redoubt. This was actually taken back in 1989, the last time Mount Redoubt was active. But what happens is these plumes go straight up into the air, get caught by the jet stream at 40- or 65,000 feet, and then that ash is dispersed throughout the State.

What we have been seeing up North this week, and actually for about the past 10 days, is the cancellation of air flights, complete closure of the Anchorage International Airport over the weekend. Alaska Airlines alone has canceled about 230 flights. It has affected about 10,000 passengers, including my boys.

What is happening as a result of this volcano does become quite personal. We have school districts down in the southern part of the State where they have experienced the ash fall-out, where the students have dust masks, respirator masks so they are not breathing the ash that is coming through.

Home Depot made a point of staying open 24 hours a day so people could get the masks, the ventilator masks, get tape to put around their windows, around the doors, because this ash, this particulate is so fine that it comes underneath and into your home, it gunks up your computers, it clogs your car engine.

It is most worrisome, most threatening, though, with airplane engines, the ash itself, this particulate that is like ground-up stone and has this very debilitating effect of messing up your engine. So what is happening is at the airports, the engines of the airplanes, if they are not inside, which we do not have the capacity for, are being wrapped in Saran Wrap—more sophisticated than Saran Wrap but having to be wrapped. Our military at Elmendorf and Ft. Richardson is looking to relocate their assets, so that these very fine precision aircraft are not in harm's way.

A lot is happening as a result of this volcano and the series of eruptions. The volcanoes in Alaska make up well over three-quarters of U.S. volcanoes that have erupted in the last 200 years. About 50 volcanic eruptions occur around the world every year. This is according to USGS. It seems like a high number, but most of them are not eruptions that make much in terms of headlines.

The United States ranks third, behind Indonesia and Japan, in the number of historically active volcanoes. That is why it is so very important to fund volcano monitoring, which in Alaska is through the Alaska Volcano Observatory. The AVO, as I call it, is one of five volcano observatories in the United States. It is a joint program of the USGS, the United States Geologic Service, the Geophysical Institute of the University of Alaska-Fairbanks, and the State of Alaska Division of Geological and Geophysical Surveys. The AVO is unique in the United States, and probably in the world, in that it is a thoroughly collaborative undertaking of Federal scientists, State scientists, university faculty, and students.

AVO was formed in 1988, after an eruption of Mt. Augustine, and uses Federal, State, and university resources to monitor and study Alaska's hazardous volcanoes, to predict, to give that early warning, and record eruptive activity, and also to mitigate volcanic hazards to life and property.

Alaska has over 30 active volcanoes that are currently being monitored by the AVO. There is no other observatory in the world that even comes close to that. The AVO also analyzes available satellite data twice daily from thermal anomalies and ash plumes at about 80 volcanoes in the North Pacific. Russian volcanos frequently put ash into areas where the United States has aviation safety responsibilities. Alaska's active volcanoes also offer superb opportunities for basic scientific investigation of volcanic processes. An important component of AVO's program is to conduct research at selected volcanic centers.

Now, I mentioned the hazard to air traffic. I think it is important for people to understand that when we are talking about volcanic ash being in the air and being distributed, it is not just something that is dirty and an annoyance, but it has the potential to be life threatening and absolutely deadly. If the jet engines ingest the volcanic ash, the potential for catastrophe is very real.

Back in 1989, December 15 of 1989, there was a Boeing 747 flying about 150 miles northeast of Anchorage and it went through the ash plume that had erupted from the Redoubt volcano. It was flying at night so they could not see they were flying into an ash cloud.

We did not have the monitoring process, so the pilots were flying on through and it sucked in the ash at—I am not entirely certain what altitude they were flying when they first encountered the ash—but the plane, with 231 passengers aboard, lost more than 10,000 feet elevation. All four engines lost power. And they went down 10,000 feet. That is about 2 miles.

Now, we do a lot of flying around here. Next time you are up in that airplane, look down and think about losing all of the power in your 747 and falling out of the sky almost 2 miles before these incredibly skilled pilots are able to restart the engines.

They were able to land the airplane safely, no lives lost, but I cannot imagine what it would have been like to have been a passenger on that jet aircraft. The airplane suffered about $80 million in damage. All four of those engines were shot. And, again, the good news out of the story is that there was no loss of life.

The FAA estimates, based on information provided by the FAA, that more than 80,000 large aircraft per year and 30,000 people per day are in the skies over and potentially downwind of many of Alaska's volcanoes, mostly on the heavily traveled great circle routes between Europe and North America and Asia. It is along this route, which coincidentally follows the northern portion of the Pacific Ring of Fire, that there are over 100 volcanoes capable of depositing ash into the flight path. Some are in Japan, many are in Russia, but about half of them are in Alaska. And by analyzing the satellite imagery and working with the National Weather Service to predict where the winds will carry the ash, AVO assists the FAA in warning aircraft of areas to avoid.

Volcanic eruptions from Cook Inlet volcanoes—these are right around the south central area: Spurr, Redoubt, Iliamna, and Augustine—can have severe impacts, as these volcanoes are nearest Anchorage, which is obviously our largest population center.

Back in 1989, when Redoubt blew before, I was working in an office, and essentially we were shut down because the ventilation system needed to be turned off, computers needed to be turned off and covered. The impacts economically and in all ways are very real.

The last major series of eruptions of Mt. Redoubt were in 1989 and 1990. These eruptions totaled 23. So right now with Redoubt we are already up to 17. The 23 that took place in 1989 occurred over a 6-month period. We are seeing 17 eruptions over a period of about 10 days.

These eruptions seriously affected the population, commerce, and oil production throughout Cook Inlet and air traffic about as far away as the State of Texas. Total estimated economic costs were about $160 million, making this eruption of Redoubt the second most costly in U.S. history after Mount St. Helens. It had significant impact on the aviation and oil industries as well as on the people of the Kenai Peninsula.

As mentioned, this volcanic ash is fine bits of abrasive glass that can damage lungs, it can damage vehicles, electronic equipment. Right now, as we speak, in the area just outside of Anchorage, at Mount Alyeska, where I was a couple of weeks ago, we are hosting the U.S. National Ski Championships. We have got some of the country's finest athletes who are performing on that hill. They cannot race if they are breathing in this volcanic particulate.

The Redoubt eruption also damaged five commercial jetliners. This was again back in 1989. It caused several days' worth of airport closures and airline cancellations in Anchorage and on the Kenai Peninsula. Drifting ash clouds disrupted air traffic as far away as Texas.

International volcano monitoring is also a role of the Federal Government. It helped, very likely, to save many lives, and significant money, in the case of the 1991 eruption of Mount Pinatubo in the Philippines, where the United States had military bases at the time.

The eruption back in 1991 lasted more than 10 hours and sent a cloud of ash as high as 22 miles into the area that grew to more than 300 miles across.

The USGS spent less than $1.5 million monitoring the volcano and was able to warn of the impending eruption which allowed the authorities to evacuate residents, as well as aircraft and other equipment from U.S. bases there. The USGS estimates that the efforts saved thousands of lives and prevented property losses of at least $250 million.

It is not enough, though, to justify a program by identifying a danger. The more important question is whether something can be done to reduce the impact of a volcanic eruption in terms of property damage and loss of life. That means getting people out of harm's way by providing advanced warning. That is exactly what the USGS Volcano Hazards Program seeks to do through the existing volcano observatories in the United States. Some may say there is an abundance of caution going on right now by shutting down the airport, by cancelling flights, by diverting flights. But as a mother whose sons are there and going to be relying on air travel, I want to make sure that we err on the side of caution.

I want to make sure we are using those scientists who will tell us exactly when it is safe to be back up flying.

The advances made in monitoring can now provide much more accurate and timely predictions of eruptions. Back in 1989, AVO was only able to provide a few days' warning before Mount Redoubt erupted. This year, they began to detect activity and notified the public a couple months before it eventually erupted. The biggest challenge remains finding an adequate and stable source of funding. The USGS Volcano Hazards Program has been constantly underfunded. Both USGS and the FAA provide funding, but it is not enough to manage all of the observatories or provide for an expansion of the system to cover increased monitoring and volcano research.

It is because of inadequate funding and the critical importance of this program that I intend to introduce a bill that will provide funding stability volcano monitoring needs. This program shows that with a modest investment, a very large benefit can be produced in reducing the impacts of catastrophic events. My legislation will establish a national volcano early warning and monitoring system within the United States Geological Survey to monitor, warn, and protect citizens from undue and avoidable harm from volcanic activity. USGS will coordinate a management plan with other relevant Federal departments, including the Department of Transportation, FAA, the National Oceanic and Atmospheric Administration, the Department of Homeland Security, and the Federal Emergency Management Agency. The legislation authorizes appropriations annually to the Department of Interior to carry out the act.

I appreciate the attention given me on this issue this afternoon. As I mentioned, all eyes are upon the State of Alaska right now as we watch this volcano, but this is not the only one we are actively monitoring and watching. We want to make sure that not only the residents of the State of Alaska are provided a level of safety through monitoring and warning but any of those who may be endangered because of Mother Nature doing what Mother Nature does on a very unpredictable trajectory. So what we are attempting by introduction of legislation to establish the national volcano early warning and monitoring system is good, and I look forward to having the support of my colleagues on this very important matter.

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

The PRESIDING OFFICER (Mr. WEBB). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. CONRAD. Mr. President, I wish to go back for a moment to the question of a 10-year budget versus a 5-year budget, because I have heard so many questions raised about why we did a 5-year budget rather than a 10.

Again, the Congress has done 34 budgets under the Budget Act, 30 of which have been 5-year budgets. A key reason has been that the longer term forecasts are notoriously unreliable. CBO said the current forecast ''has greater than normal uncertainty.''

> CBO'S current forecast, particularly for the near term, is subject to a greater than normal degree of uncertainty . . . Both the magnitude of the contractionary forces operating in the economy and the magnitude of the government's actions to stabilize the financial system and stimulate economic growth are outside the range of recent experience.

The Federal Reserve Chairman, Mr. Bernanke, said the economic outlook is subject to considerable uncertainty.

> This outlook for economic activity is subject to considerable uncertainty . . . One risk arises from the global nature of the slowdown.

He went on to say:

> If actions taken by the Administration, the Congress, and the Federal Reserve are successful in restoring some measure of financial stability—and only if that is the case—there is a reasonable prospect the current recession will end in 2009 and that 2010 will be a year of recovery.

Again, very small differences have very big effects over time.

Senator GREGG himself said in March of this year:

> Ten-year forecasts are very much a guess . . .

That is why almost every time the Congress does a 5-year budget rather than a 10-year budget. In fact, the last five budgets done by Congress, including three under Republican chairmen, have been 5-year budgets.

Now, there has been some suggestion by columnists that doing a 5-year budget suggests you are hiding something. Again, I want to emphasize, President Obama came forward with a 10-year budget that has been fully scored. Nothing is being hidden from anybody. That score is out there. It is available. It is public. So there is nothing being hidden. And Congress has almost always done 5-year budgets just because of the extraordinary uncertainty of those outyears.

I also want to say, for a moment, those who argue that this budget has too much spending are up against the factual record. The factual record is that in this year, the spending will be 28 percent of gross domestic product. We bring that down very sharply in the first 3 years. We get it down to 22 percent of GDP by 2012. Again, there is a deficit in the fifth year of less than 3 percent of GDP, which the economists tell us is critical to having a sustainable debt.

Let me say my own view. I believe we have to do better than that. I believe we have to do better than that. I believe the outyears under any of the budgets are unsustainable. I believe we have to have some special process such as the one Senator GREGG and I have proposed, and I am completely open to other suggestions about how we deal with the entitlement reform and the tax reform we so badly need.

I see our colleague, Senator MCCAIN, is now in the Chamber. We advised his office we would like to get him in at about this hour, so I would be happy to take a break and give Senator MCCAIN a shot at this.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank my friend from North Dakota, and I thank him for his hard work under very difficult circumstances.

Obviously, the debate begins on the budget resolution for fiscal year 2010. Like the President's plan, the measure offered amounts, in all candor, to generational theft. It increases spending by $225 billion over current levels, raises at least $361 billion in taxes, and borrows $1.1 trillion more than what we expect to borrow under current law.

But unlike the President's plan, the resolution budgets for 5 years. Now, I would like to say, in deference to my friend from North Dakota and members of the Budget Committee, I am aware that in previous years a 5-year budget process has been generally the way to do business. There are years where we have used 10 years. The President's budget was 10 years. In these difficult times, given the circumstances under which we are laboring, I think we do a disservice to not do a 10-year budget. So budgeting for only a 5-year period in many respects hides the costly expansion of Government that is sure to take place after 2014.

As we go through this debate—and I notice the Senator from North Dakota has many charts—I will be bringing forward some charts that show the dramatic expansion in cost for a whole variety of reasons, including demographics and more and more baby boomers retiring, which, as the President's chief budget person, Mr. Orszag, has stated, is ''not sustainable.''

The Senate owes it to the American taxpayer, in my view, to produce a 10-year budget that shows the unsustainable fiscal path we are on and the terrible burden we are passing on to future generations because of the explosive debt it produces.

The Senator from North Dakota, the distinguished chairman of the Budget Committee, just mentioned a proposal for a commission for reform of Social Security and Medicare, and I agree with him. But I would also argue that on the issue of Social Security we could all sit down in a matter of hours and address the issue of Social Security. We know the factors that are involved. We know what the costs are.

We know the fixes that basically are necessary. And it would have to be done in the spirit of compromise, as Tip O'Neill and former President Reagan did way back in 1983, the last time there was any significant reform to Social Security. Medicare and Medicaid and health care is obviously a much more complicated issue.

In an op-ed entitled ''Hiding a Mountain Of Debt'' from yesterday's Washington Post, David Broder, who, in my view, is perhaps the most respected columnist in America in many ways, and certainly the most experienced, wrote:

[T]he Democratic Congress is about to perform a cover-up on the most serious threat to America's economic future. . . .

The Congressional Budget Office sketched the dimensions of the problem on March 20, and Congress reacted with shock. The CBO said that over the next 10 years, current policies would add a staggering $9.3 trillion to the national debt—one-third more than President Obama had estimated by using much more optimistic assumptions about future economic growth. . . .

The ever-growing national debt will require ever-larger annual interest payments, with much of that money going overseas to China, Japan and other countries that have been buying our bonds.

Reacting to this scary prospect, the House and Senate budget committees took the paring knife to some of Obama's spending proposals and tax cuts last week. But many of the proposed savings look more like bookkeeping gimmicks than realistic cutbacks. . . .

But the main device the Democratic budgeteers employed was simply to shrink the budget ''window'' from 10 years to five. Instantly, $5 trillion in debt disappeared from view, along with the worry that long after the recession is past, the structural deficit would continue to blight the future of young working families.

Mr. President, I ask unanimous consent to have the David Broder column that appeared in the Washington Post yesterday printed in the RECORD.

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

[From the Washington Post, Mar. 27, 2009]

HIDING A MOUNTAIN OF DEBT

(By David S. Broder)

With a bit of bookkeeping legerdemain borrowed from the Bush administration, the Democratic Congress is about to perform a cover-up on the most serious threat to America's economic future.

That threat is not the severe recession, tough as that is for the families and businesses struggling to make ends meet. In time, the recession will end, and last week's stock market performance hinted that we may not have to wait years for the recovery to begin.

The real threat is the monstrous debt resulting from the slump in revenue and the staggering sums being committed by Washington to rescuing embattled banks and homeowners—and the absence of any serious strategy for paying it all back.

The Congressional Budget Office sketched the dimensions of the problem on March 20, and Congress reacted with shock. The CBO said that over the next 10 years, current policies would add a staggering $9.3 trillion to the national debt—one-third more than President Obama had estimated by using much more optimistic assumptions about future economic growth.

As far as the eye could see, the CBO said, the debt would continue to grow by about $1 trillion a year because of a structural deficit between the spending rate, averaging 23 percent of gross domestic product, and federal revenue at 19 percent.

The ever-growing national debt will require ever-larger annual interest payments, with much of that money going overseas to China, Japan and other countries that have been buying our bonds.

Reacting to this scary prospect, the House and Senate budget committees took the paring knife to some of Obama's spending proposals and tax cuts last week. But many of the proposed savings look more like bookkeeping gimmicks than realistic cutbacks. The budget resolutions assume, for example, that no more money will be needed this year to bail out foundering businesses or pump up consumer demand, even though estimates of those needs start at $250 billion and go up by giant steps.

Republicans on the budget committees offered cuts that were larger and, in some but not all instances, more realistic.

But the main device the Democratic budgeteers employed was simply to shrink the budget ''window'' from 10 years to five. Instantly, $5 trillion in debt disappeared from view, along with the worry that long after the recession is past, the structural deficit would continue to blight the future of young working families.

The Democrats did not invent this gimmick. They borrowed it from George W. Bush, who turned to it as soon as his inherited budget surpluses withered with the tax cuts and recession of 2001–02. But Obama had promised a more honest budget and said that this meant looking at the long-term consequences of today's tax and spending decisions.

There are plenty of people in Congress for whom the CBO report was no surprise, and some of them have proposed a solution that would confront this reality. Kent Conrad, the chairman of the Senate Budget Committee, and Judd Gregg, its ranking Republican, have offered a bill to create a bipartisan commission to examine every aspect of the budget—taxes, defense and domestic spending, and, especially, Medicare, Medicaid and Social Security. Congress would be required to vote promptly, up or down, on its recommendations, or come up with an alternative that would achieve at least as much in savings.

In the House, Democrat Jim Cooper of Tennessee and Republican Frank Wolf of Virginia have been pressing a similar proposal but have been regularly thwarted.

The roadblock in chief is Nancy Pelosi, the speaker of the House. She has made it clear that her main goal is to protect Social Security and Medicare from any significant reforms. Pelosi has not forgotten how Democrats benefited from the 2005–06 fight against Bush's effort to change Social Security. Her party, which had lost elections in 2000, 2002 and 2004, found its voice and its rallying cry to ''Save Social Security,'' and Pelosi is not about to allow any bipartisan commission to take that issue away from her control.

The price for her obduracy is being paid in the rigging of the budget process. The larger price will be paid by your children and grandchildren, who will inherit a future-blighting mountain of debt.

Mr. MCCAIN. What does the President's budget do? It doubles the public debt in 5 years and nearly triples it in 10 years. As a consequence, beginning in 2019, the Government will spend more on interest than on the defense of our Nation. That is $806 billion on interest, $720 billion on defense. That is eight times more than we will spend on education and eight times more than we will spend on transportation. The budget proposals offered by the President and the Senate Democrats put us on an unsustainable fiscal path and will pass on to future generations an unprecedented level of debt they will never be able to afford.

We should not take lightly the significant impact our mounting debt has on our future financial stability and security. Currently, China owns nearly $2 trillion of our debt, and because of the global economic downturn, the Chinese are now focused on pumping their money into their own economy. I believe one of my colleagues said it best when he warned: ''The only thing worse than China holding so much of our debt, is China declining to finance any more of our debt.''

Buying our national debt is no longer a very attractive investment for the Chinese and, given the explosion of debt currently envisioned in the President's budget, an even less inviting one in the future. We see evidence of this approaching predicament brought on by their well-founded concerns about the dollar's declining value and in China's recent suggestion that the world should consider a new international currency to replace the dollar.

Here are some cold, hard facts: Our current national debt is $10.7 trillion. The projected deficit for 2009 is $1.7 trillion. The total cost of the stimulus bill enacted last month is over $1.1 trillion. We gave the Troubled Asset Relief Program, known as TARP, $700 billion, but everyone expects the administration will request up to an additional $750 billion or more. President Obama recently signed an Omnibus appropriations bill totaling $410 billion. The Federal Reserve recently pumped another $1.2 trillion into our markets, and the President has submitted a budget request of $3.6 trillion.

Just today, we have decided we will keep General Motors and Chrysler alive, when General Motors and Chrysler should go to a prepackaged bankruptcy. They could enter bankruptcy, change the parameters on which they are doing business, and emerge as more competitive and efficient automobile manufacturing corporations that could compete with automobile manufacturing here in the United States, only they are not located in Michigan, they are located in other States. So instead of sending General Motors and Chrysler into the prepackaged bankruptcy they deserve, we now have taken the unprecedented step of firing the CEO of General Motors—a remarkable move by the Federal Government, I think unprecedented in the history of this country. What does the signal send to other corporations and financial institutions about whether the Federal Government will decide to fire them as well?

But the fundamental issue here is, who is too big to fail? Who is too big to fail in America? And what do I tell the businessperson in Phoenix, AZ, who is about to have to close their doors because they do not have the financing and they have not been bailed out? Who is too big to fail and who is too small to survive? That is why we have seen an outpouring and outrage over the bonuses paid to executives of financial institutions that they neither deserve nor warrant.

The President's budget numbers are simply staggering. On average, he adds $1 trillion to the debt every year for the next 10 years. He produces deficits totaling $9.2 trillion over this period, taking spending from 20 percent of GDP up to 25 percent of GDP. The deficit for fiscal year 2009 will be more than three times the previous record of the biggest deficit. The President's budget also contains $1.4 trillion in tax increases. It resurrects the death tax and, even at this critical time, discourages investment in our economy by raising the top rate on capital gains and dividends by one-third.

If the CBO-projected deficits in the budget's outyears prove close to accurate, by 2019 Americans would owe a debt that is over 80 percent of our gross domestic product—the highest level since 1948—and double our debt's current share of gross domestic product. It would create more debt than under every President from George Washington to George W. Bush combined. As others have already warned, the Nation would be bankrupt, and the America our children and grandchildren inherit would be, for the first time in history, a land of limited opportunities.

Beyond the serious ramifications of the budget numbers, we also need to be concerned about the very real fight we face over reconciliation. The House has included reconciliation instructions for both health care and education. The administration has been clear that it wants climate change added to the reconciliation measures.

I recently read where the administration is considering declaring greenhouse gases a health risk. Just 2 weeks ago, the EPA delivered documents to the White House stating findings that global warming threatens both public health and welfare. If this declaration is made, none of us should be surprised to see changes to environmental law used as an opening to fund universal health care.

I fully recognize that Republicans have in the past engaged in using reconciliation to further the party's agenda. It was wrong then. I wish it had not been done. And I hope and I wish it would not be done now. But the groundwork has been laid. I think this would be a grave mistake. We should be working on the most pressing issues in a bipartisan, thoughtful manner.

We are in the midst of a severe recession. The U.S. Labor Department announced that employers cut another 651,000 jobs in February, raising the unemployment rate to 8.1 percent, the highest since 1983. These statistics are dire and argue for Government's intervention to stimulate the economy. However, it would be an appalling dereliction of duty to use the crisis caused by the global credit crunch, as some members of the administration have suggested, to excuse profligate spending that would not hasten economic growth and that puts the United States on an accelerated path to bankruptcy.

I believe the President's budget has fallen prey to the siren song of short-term expediency. It is bad economics. The antiquated U.S. Code has driven an increasing number of businesses—especially small, dynamic startup ventures—to file their taxes as individuals. Nearly one-half of Americans work in businesses with fewer than 50 employees, and we should focus on keeping those jobs and creating more of them. While the administration argues that a minuscule number of businesses are affected by its proposed tax increases, a majority of small business income will be hit by them. Jobs are where the money is, and increasing taxes on jobs endangers the recovery.

It is a misguided policy toward fairness. Rising inequality is a 30-year process with its roots in skills and education—not tax policy.

Lastly, insulating 95 percent of voters from the consequences of their electoral decisions is dangerous for a democracy. It is also misleading. Does anyone really believe we can expand all nondefense spending to a record share of GDP, reform the health care system that is one-sixth of the economy, reinvent the energy portfolio that powers our lives, and drive next-generation broadband to every home, while cutting taxes for 95 percent of Americans? It doesn't add up, it won't add up, and it won't last.

I fully recognize tough choices need to be made in order to get our country back on course. It is like the old saying, ‘‘Everyone wants to go to heaven, but no one wants to die.’’ Except in Washington, it would be, everyone wants fiscal prosperity, but no one wants to force the belt tightening.

For two centuries, Americans have worked hard so their children could have better lives and greater opportunity. Do we really want to reverse that order by having our children work hard so we don't have to make hard economic choices now?

The Federal budget must address the most pressing issues facing our Nation. Among those priorities are keeping Americans safe and the Nation secure, enhancing economic growth and raising standards of living, reducing the burden of debt for the next generation, reforming our health care system, and shifting to a cleaner, more secure energy portfolio. The budget must also ensure that taxpayers' dollars are managed in the most fiscally responsible manner by targeting resources to priorities, spending no more than needed, eliminating waste and special interest projects, and holding the Government accountable to the taxpayer.

We are obviously living in perilous economic times, but with resolute action and clarity of vision, we can emerge from this period with strong job growth, rising incomes, restored confidence, and the ability to meet our patriotic obligation of passing to the next generation the opportunity to make their lives safer, more prosperous, and more enriching than our own. We are in a financial crisis, a housing crisis, and a consumer-led recession. Why, then, does the President's budget envision borrowing trillions of dollars for new initiatives in education and health care, energy, the environment, transportation, and technology without any spending discipline or offsets?

Of course, those programs sound appealing, but whether you support or oppose those long-term goals, addressing our most important and immediate problems should be our urgent priority. We have not devoted resources to the right problems. We have left our principles behind as we deliver check after Treasury check, and we will not be able to continue down this road.

I hope again that we, on both sides of the aisle, can sit down together for a change and work out a bipartisan agreement. I believe with the right kind of preparation and the right kind of work, we could have come up with a budget proposal that took into consideration the concerns of those of us on this side of the aisle. As with the stimulus package, as with the omnibus bill, as with SCHIP, and with other issues that have come before this body, there has not been what the American people want so badly for us to do, and that is to sit down and work together and come up with a common recipe for the common challenges we face that affect all Americans, whether they be Republican or Democrat.

Again, I regret that this budget, after our usual national—well, I won't go into it, but the budget vote-arama, that this budget will go down, will be passed largely on party lines. I regret that. We will have time in the future, as we are facing other issues such as health care reform, issues of climate change and others—energy independence—that we should be able to sit down together. So far we haven't. I wish we had.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the Senator for his observations on the budget. I do wish to indicate the budget before us is different than the budget the President sent us. First of all, the Senator mentioned reconciliation instructions. We have no reconciliation instructions in this budget—not on health care, not on climate change, not on education. My own belief is that was never the purpose of reconciliation. Reconciliation was really designed to be for deficit——

Mr. MCCAIN. Mr. President, will the Senator yield for a question?

Mr. CONRAD. I am happy to yield.

Mr. McCAIN. Does the Senator really believe that reconciliation will not be part of the final budget resolution?

Mr. CONRAD. Well, I would say this to the Senator: I don't know, but I know it is not part of this resolution, and that was rather intense debate, as my colleague can imagine. I have said publicly and privately what I believe. I don't believe reconciliation was ever intended for the purpose of writing this kind of substantive reform legislation such as health care reform, such as climate change.

As people get into how reconciliation actually works, I think they are going to be a lot less eager to pursue it. If I could just give two examples.

Mr. McCAIN. Mr. President, would the Senator yield for another question?

Mr. CONRAD. I am happy to yield.

Mr. McCAIN. I am sure one of the things my distinguished colleague is referring to is that after 10 years, whatever the reconciliation would then expire. But I also would again question whether the Senator is aware that it is accepted as common knowledge that there will be reconciliation in this budget resolution when it is finally passed, whether it contains health care reform, education reform, and/or climate change.

I do acknowledge, again, before my friend answers, that Republicans began this, and it was the wrong thing to do. It was the wrong thing to do. Sometimes you reap what you sow. So I fully acknowledge that.

However, I think to address an issue as serious as health care reform in America, to put it on a budget resolution would be a very serious breach of the customary way the Senate addresses these issues. I thank the distinguished chairman of the Budget Committee for his hard work on this issue for many years.

Mr. CONRAD. I thank the Senator. I would just say I am going to argue strenuously against it in conference committee. The Senator asked me what will be the result. I don't know. Am I going to be able to prevail in the conference committee on this matter? I don't know. But I really do think—I hope colleagues who think reconciliation is the answer will think very carefully about how it actually works.

Anything in reconciliation, first of all, is subject to the Byrd rule. The Byrd rule says any legislative proposal that does not score, that doesn't cost money or save money, is subject to automatic strike. Any provision that the score is only incidental to the policy change is subject to automatic strike.

Our distinguished Parliamentarian has said, if you try to write major legislation in reconciliation, you will be left with Swiss cheese. So I hope people are thinking about that. I know there are attractive features of reconciliation, and it is true I think Republicans abused it in writing the tax reductions because I deeply believe reconciliation was only intended for deficit reduction. So I think it was wrong to have been applied solely for tax reduction during the years the Republicans were in control. I don't think two wrongs make a right. I don't think we should do it for substantive legislation that is really not deficit reduction legislation.

One other thing I wish to say—and I hope people are thinking very carefully about this. The way reconciliation works is there is only one instruction for revenue, one instruction for spending, one instruction for debt in a year. So if you are going to put all of these provisions together, you are going to have education, you are going to have health care reform. You may well have to do those in one bill—in one bill. Now, are we really going to do that? Are we going to have education reform and health care reform put in one legislative vehicle? I think we better think very carefully about that. So I thank the Senator from Arizona for his observations.

I do wish to stress that the budget we have before us is substantially different than the budget the President sent, and there is a simple reason for that. We have $2.3 trillion less over 10 years to write this budget. This is a 5-year budget, so we made $608 billion in changes. In spending alone on the discretionary side, we have reduced discretionary spending over 5 years by $160 billion—$160 billion. We have changed the mandatory side of the equation by $240 billion. We have changed the revenue line by almost $160 billion. So I hope as people look at this budget, they will recognize substantial changes have been made in light of the new forecast. We have attempted to be responsible, and we have gotten the deficit down by two-thirds by the fifth year and less than 3 percent of GDP, which is what all the economists say is necessary to stabilize the debt.

My own strong belief is we need to do even better than that in the second 5 years in light of the retirement of the baby boomers and in light of this enormous debt that has been stacked up. Again, that did not happen—it was not the fault of President Barack Obama. He inherited a colossal debt. He inherited a colossal fiscal crisis, financial crisis, housing crisis. It wasn't his fault. He didn't create it. He is in on the cleanup crew.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The minority whip is recognized.

Mr. KYL. Mr. President, first, let me say the job the chairman of the Budget Committee has is very difficult. I think I can speak for virtually everybody on our side of the aisle when I say there is a lot of respect for the way he has approached this job, especially this year. I, for one, appreciate the comments about the difficulty with the deficits and with the application of reconciliation. I think the chairman is exactly right. There are a lot of issues with reconciliation, and if it is to be used for the purpose as he identified it, if what Republicans did was wrong, then as lawyers say: a fortiori, this would be wrong, meaning it is even more the case because this would be policy that doesn't even relate specifically to taxes, except indirectly.

So I certainly hope the chairman can be successful in his efforts to remove or to ensure that reconciliation instructions are not included as a part of this budget. From my standpoint, primarily because that would effectively take Republicans out of the ball game in terms of helping to write new health care and environmental and energy and education policy, that should better be done on a bipartisan basis, or at least to the extent possible on a bipartisan basis. That would be very difficult to do if reconciliation got involved. So I appreciate his efforts in that regard.

I wish to begin by quoting a statement that President Obama made at a recent press conference:

> The best way to bring our deficit down in the long run is . . . with a budget that leads to economic growth by moving from an era of borrow and spend to one where we save and invest.

That is true. I think it is too bad that the President's budget doesn't meet the test he laid out. It borrows and spends more than any previous budget, and its new taxes will retard economic growth, especially at a time when the stock markets are unsteady, consumers are wary, and unemployment continues to rise, the President's budget should not propose unprecedented spending increases, huge tax increases on individuals, businesses, and families, and deficits as far as the eye can see.

This is not an era of new responsibility. Simply put, the budget spends too much, it taxes too much, and it borrows too much.

First, with regard to spending, we need to remember that middle-class families and small businesses are making sacrifices and tradeoffs in their own budgets every day. But not in Washington. The Federal Government continues to spend trillions of taxpayer dollars on bailouts and new Government programs. This $3.9 trillion budget continues business as usual, making no hard choices about how to rein in out-of-control Government spending. It also marks a nearly 20-percent growth in nondefense Federal spending since the end of 2008. This budget is so big that, according to the Heritage Foundation estimates, 250,000 new Federal bureaucrats may be required to spend it all.

Nor is there any intention of cutting back. This budget does not contemplate one-time investments followed by years of reduced spending. Instead, billions in new outlays will continue indefinitely. So it is not just about massive spending but about the permanent accruement of power in Washington. As the Wall Street Journal recently editorialized:

> With [his] fiscal 2010 budget proposal, President Obama is attempting not merely

to expand the role of the Federal Government, but to put it in such a dominant position that its power can never be rolled back.

Don't be fooled by the word ''investments.'' The lion's share of this new spending is not what a well-run business or IRS would count as an ''investment,'' such as equipment or other tangible assets. Most of the new spending would be for services where long-term value is difficult to measure.

Going to the item of taxes, President Obama said he will cut taxes for 95 percent of Americans. But his budget would raise taxes by $1.4 trillion over 10 years. It not only lets some of the existing tax cuts expire—thus raising taxes—but it implements a new $646 billion energy tax that will impact every American household, regardless of income, and is estimated to increase energy costs for every family by $3,168 annually. It is described as a ''downpayment,'' meaning there is more to come.

This tax is touted as a way to curb greenhouse gas emissions, but there is no way around the fact that it will be a tax on virtually all economic activity, since almost every aspect of our daily lives requires energy from fossil fuels. I recall candidate Obama telling the San Francisco Chronicle that ''under my plan of a cap and trade system, electricity rates would necessarily skyrocket.'' Is this what we need or want—especially in a time of recession?

It is also important to understand that existing expiring income tax relief for individuals is not a new tax cut. When an Arizona family thinks of a tax cut, it assumes it will pay less in taxes from one year to the next. The administration claims that if you don't pay more in taxes, you are receiving a tax cut. This difference, to borrow a phrase from Mark Twain, is like the difference between lightning and a lightning bug.

The budget also increases taxes on half of small businesses with 20 or more employees. So far, during this recession, small businesses have created all of the net new jobs. Why is this tax a good idea?

We are straying too far from the principle that the purpose of taxes is to pay for the costs of Government in a way that does the least damage to the economy. Hippocrates' oath for his medical students to ''first, do no harm'' should also apply to fiscal policy. This budget will not lead to economic recovery. What, in these times, could be more important?

Finally, as to borrowing, there is the deficit. Last year, the deficit was $459 billion. The Congressional Budget Office now projects a $1.669 trillion deficit in 2009. In 5 years, this budget will double the public debt. In 10 years, it will triple the public debt. After bottoming out at $658 billion in 2012—a level still more than 40 percent above the highest deficit during George W. Bush's Presidency—the Congressional Budget Office projects the deficit to increase to $9.2 trillion in 2019, an astounding 82.4 percent of GDP. It also creates more debt than the combined debt under every President since George Washington. Think of that. That is not sustainable, as even the President's OMB Director, Peter Orszag, has said.

Let's not forget the finance charges. Beginning in 2012, and every year thereafter, the Government will spend more than $1 billion per day on finance charges to holders of U.S. debt. How will this impact the average American family? Federal spending on finance charges for our Government's debt will be about $1,500 per household for 2009. Under President Obama's budget, this number soars to nearly $5,700 per household by 2019. What happened to his plan to ''spend wisely''?

This excessive borrowing increases our dependence on creditors in countries such as China and Japan. These two countries now hold more than a third of our foreign debt. Other countries hold more than half of America's total publicly held debt. When other countries hold a large amount of our debt, they also have leverage to influence our currency, trade, and even our national security policies.

The final point I want to make relates to what I regard as class warfare. I am struck by the language of the budget, starting this class warfare in America. Page 5 of the budget reads:

While middle-class families have been playing by the rules, living up to their responsibilities as neighbors and citizens, those at the commanding heights of our economy have not.

Is this true? Is it true that everyone in the upper brackets has not lived up to their responsibilities or played by the rules? Many of your family physicians, for example, fall into the category of top earners—after years of training and mountains of debt from student loans and round-the-clock work hours, on call for you and me. Are they guilty of not living up to their responsibilities or playing by the rules? That is what the President's budget says.

Most high-income people work pretty hard. They contribute to the economy, give to charity, and pay a lot in taxes. The budget complains that the top 1 percent of earners now holds 22 percent of the Nation's income. But it fails to recognize that they also pay 40 percent of all Federal income taxes.

As Daniel Heninger recently wrote in the Wall Street Journal:

What is becoming clearer as [President Obama's] presidency unfolds is that something deeper is underway here than merely using higher taxes to fund his policy goals in health, education, and energy . . . . The rancorous language used to describe these taxpayers makes it clear that they will be made to ''pay for'' the fact of their wealth—no matter how many of them have worked honestly and honorably to produce it. No Democratic President in 60 years has been this explicit.

Republicans want to work with the President to get the economy back on track. But the massive amounts of spending, taxing, and borrowing in this budget will hinder an economic recovery. In times such as these, we have to focus on growing our economy, not growing the Government.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, let's see what we start with when we start to draw a budget. In this current fiscal year, there is going to be a deficit of $1.7 trillion; that is, Federal revenues are going to be less than Federal expenditures by $1.7 trillion.

Why did that occur? It occurred for a number of reasons over the last several years and budgets that were developed that caused the Federal Government to have a huge deficit. On top of that, you have a declining economy with the tax receipts of the Federal Government, because of the declining economy going south. As a result, what you have is an ever-expanding deficit because expenditures are going up in times of a down economy, particularly with regard to the stimulus bill and with regard to the completion of the appropriations bill for this current fiscal year. All of that spending, with the declining revenues, based on past practices, has brought us to this point. So we inherit a deep hole from which we start.

The question is, how do we get out of that hole and, at the same time, how do we stimulate the economy in order that we can get our economic engine running again and get America moving again? I think the chairman of the committee, Senator CONRAD, has done a magnificent job in his mark that takes this present $1.7 trillion deficit in this year, 2009, downward, or increasing the margin to a narrow margin by which the Federal revenues are exceeded by the Federal expenditures and puts that on a path to where you bring the Federal deficit down to less than 3 percent of gross domestic product 5 years out.

What this budget document does is take us from a position of $1.7 trillion in this year, and then, over the next 5 years, takes it down to a position that is about $500 billion—still a huge deficit, but when you compare it to $1.7 trillion or compare it to the fact that all of the economists will testify that any deficit within the range of 3 percent is an acceptable deficit to keep the economy going and, in fact, the deficit 5 years away is less than 3 percent—it is 2.9 percent—then you should have a budget document that puts us on a path for economic recovery.

I have heard all of these comments about how this budget is spend, spend, spend, and how this is going to run us into bankruptcy, and all that. Well, consider a few facts. First, there is a series of reserve funds for necessary legislation that we want to achieve, such as reforming the health care system. Unless we can get a health care reform enacted into law, we will have very little chance of getting our arms around an exploding budget in the future, because you have to rein in these health care costs. So a series of reserve funds is set up in the budget.

Some would say that is budgetary sleight of hand, until you get into the details of the budget and find out that these reserve funds have to be fiscally or financially neutral and, if they are not, the budget law of the velvet hammer is enacted to come down that any exceeding of a budget-neutral reserve fund has the consequence that the expenditures in that reserve fund have to be paid for.

In other words, the hammer is there if you are not going to produce—in this case we are talking about health care reform—a package over 5 years—and in this case I think it is 10 years—then the hammer of the Budget Act comes down and says not only is that not allowed, you have to bring up a tax revenue in order to pay for whatever the expenditures in that reserve fund are.

Other reserve funds have to be budget neutral. Clean energy and preserving the environment, higher education, child nutrition, and Women, Infants, and Children, infrastructure investments, economic stabilization and growth, America's veterans and the wounded servicemembers, the judgeships, reforming defense acquisition, investments in local governments, and strengthening the Food and Drug Administration—each one of them is a reserve fund that has to be paid for. They have to be budget neutral under this budget we are going to pass. If they are not, the hammer of the budget law comes down on them so that not only can you not enact that particular reserve legislation, but, in fact, if you go over it, you have to provide for the Federal revenues that will pay for it. I think we have an enforceable document.

I will make one other point and that is that out of this 5-year budget, this document slashes some $800 billion of spending and tax relief, tax cuts from the President's budget—$800 billion. Most of that is slashing spending. Some of that is an elimination of some of the President's tax cuts.

The net effect is, it has, over 5 years, a reduction of the deficit by $800 billion. That is moving in a conservative fiscal direction. People are wondering: Did the Budget Committee do anything with the President's budget? Mr. President, $800 billion is a significant amount. But that is 5 years. When we project this budget out over 10 years, how much is slashed? It is a whopping $2.7 trillion in the President's 10-year budget projections.

I think it is clear by these numbers that this is a much more moderate or conservative approach to spending and tax policy, and with the hammer, the enforcement mechanism of the budget law governing these different trust funds—important legislation that we want to enact—we have a manageable way to take us from fiscal recklessness, where we are now with a $1.7 trillion deficit, to a manageable 2.9 percent of GDP 5 years from now and a deficit that is approximately $500 billion.

It would be nice if, over the course of those 5 years, we could move back into balance. It would have been nice, 8 years ago when we had a surplus, had we not enacted the budgets that were enacted back then that took us from a position of surplus, to have used that surplus to pay down the national debt. Instead, a course of action was enacted that took us to huge budget deficits, where we find ourselves today. Therefore, we have a situation that is very difficult.

To maintain the amount of stimulus in the economy to keep us on a stabilized economic road to the future, this budget is about the best we can have. Concurrently, if proposals by the Treasury Department to get the banks lending again are starting to work in the economy with a stabilized and moderate approach to budgeting, then we will start to see our economy come back to life. It is my hope that this is the commonsense kind of budget blueprint we need going forth for the next 5 years.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. HAGAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CONRAD. 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. CONRAD. Madam President, we have heard a lot of concern this afternoon about deficits and debt and spending from our colleagues on the other side. I wish to remind them of a little of the history of what brought us here. This is what happened with spending when they were in charge—spending about doubled in the Bush administration. Of course, we know the debt more than doubled, and we are left with an ocean of red ink.

That is what this administration inherited. This wasn't President Obama's doing. This is what he walked into. Here is what happened to the debt and the deficit under the previous administration. They actually inherited substantial surpluses, which they rapidly turned into record deficits and then plunged the thing right off the cliff. If we are going to be fair about how we got here, I think the other side is going to have to accept an awful lot of responsibility. Here is what happened to the debt—it more than doubled, from $5.8 trillion in 2001 to $12.1 trillion in 2009.

Senator GREGG, the ranking Republican on the committee, said: I am willing to accept this short-term deficit number, not debate it, because we are in a recession and it is necessary for the Government to step in and be aggressive, and the Government is the last source of liquidity. So you can argue that this number, although horribly large, is something we will simply have to live with.

That is the ranking member of the Budget Committee. Look, I think he is entirely right. The hard reality is we have no choice but to accept, in the short-term, these large deficits as the Government seeks to provide liquidity to prevent an all-out collapse. But over time, this budget brings the spending down. I am not talking about the President's budget now. I am talking about the budget I have presented here. We take the budget—total discretionary spending—from 9.5 percent of GDP in 2010 down to 7.3 percent of GDP in the fifth year.

When you distinguish between defense and nondefense discretionary, what you see is that I am bringing them both down at about an equivalent rate. So defense, in 2010, will be 4.8 percent of GDP; at the end of the 5 years of this budget, it will be down to 3.7 percent of GDP. Similarly, nondefense discretionary will be 4.7 percent of GDP in 2010, and we take that to 3.6 percent of GDP in 2014.

On the discretionary accounts, which is about one-third of all Federal spending, on the discretionary accounts, both defense and nondefense, I am bringing them both down as a share of our national income and doing it in about the same proportion.

We are doing that because, look, we don't have a lot of options. When the President wrote his budget, he had $2.3 trillion more in revenue than we have. Now, he did his budget some time earlier, and the forecasts were more robust. Once CBO did their more recent forecast, $2.3 trillion was gone. That requires a response, if we are also going to answer the President's charge to dramatically bring down the deficit, and we have also done that—from $1.7 trillion in 2009 to just over $500 billion in 2014. That is a reduction of more than two-thirds in the deficit of the United States.

Of course, economists like to measure it in terms of a percentage of gross domestic product rather than dollar terms because that adjusts for inflation. But look what we have done in that way: We have gone from 12.2 percent of GDP in 2009 to less than 3 percent as a deficit and share of the economy in 2014—again, more than a two-thirds reduction—and we get below the magic 3 percent, which is where most economists say we stabilize the growth of the debt.

I am quite proud of what this budget has accomplished in the 5 years of its term. I am the first to acknowledge that when Senator GREGG stands and says we are not doing enough about the second 5 years, sign me up. I agree with him entirely. Certainly, the President's budget has far more debt and deficit in the second 5 years than ours, if you extended our policies. But I would say that either one of them doesn't do enough for the second 5 years. We have to do much more. That is why Senator GREGG and I have proposed a special procedure to give 16 Members the responsibility to come up with a plan, and if 12 of the 16 agree, then that plan would come to Congress for a vote.

Now, we changed the President's budget over the first 5 years by $608 billion. That is a lot of money. Madam President, 30 percent of it is on the revenue side, 31 percent on the discretionary spending. In other words, we reduced the President's spending by $167 billion over the next 5 years. Anybody who doesn't think that is a big deal, come to my office and listen to the phone calls.

The mandatory spending we reduced by 39 percent of the total $608 billion we changed from the President's budget. So we distributed the pain about equally. We did it on a proportionate basis.

Mandatory spending is the biggest part of the budget, so they took more of the reduction. Discretionary spending and revenue were done of about equal proportion. We tried to be fair. We didn't go to just one committee of jurisdiction, or two committees, and say: You take the whole burden of making these changes. We went to everybody, and we said, you know, we have to share the pain and we have to share it equally.

Again, on the question of spending in the budget that is before us—I am not talking about the President's budget. The President's budget is not before us; the budget the Budget Committee has is before this body, the budget that we are going to vote on, which nobody, it seems, wants to talk about. They want to talk about some other budget. But they don't have a budget of their own.

If our budget is so bad, where is their budget? They don't even have a budget. So if our budget is so bad, where is their budget? We don't see their budget. I just say this: On nondefense discretionary the average annual increase under the budget resolution is 2.5 percent. Some say we ought to just freeze it. I don't think that would be very wise to do. That wouldn't even offset inflation. But this is a pretty tough budget that is before us. I want my colleagues to know, nondefense discretionary spending is increased over the life of this budget on average 2.5 percent.

Let's go to that final slide, if we could.

Where are the increases in the nondefense discretionary accounts under this budget resolution? You can see, here is where they are. The biggest chunk is defense. More than one-third of the increase is in national defense. That is in part because the President, instead of hiding the costs of the war, has put the costs of the war in the budget. That is what we have done. So if you look at the nondefense discretionary increase under the budget resolution, one-third is defense.

Madam President, 14 percent is international and 10 percent is for our veterans. We have given the biggest increase for veterans health care ever—and deservedly so. They have suffered the wounds of war and they deserve to have those wounds treated and they deserve to be treated with respect when they come home. So 10 percent of the increase is there. Ten percent is education, 10 percent is income security, 8 percent is the census.

One-twelfth of the increase is the census that has to be done every 10 years. That is an extraordinary expense, but here it is. We have to deal with it and we do. Natural resources and environment are 6 percent, transportation is 3 percent, and ''other'' is 2 percent.

The discretionary increase comes in those categories. I hope my colleagues, as they discuss the budget, deal with the budget that is before us. It is substantially different than the budget the President sent us because, again, when the President wrote his budget he had $2.3 trillion more in revenue over 10 years than we do under the new scoring that was done just before we concluded work on this budget.

I think the American people would expect us to make changes when the facts change. When the revenue changes dramatically I think they would expect us to make adjustments, and that is what we have tried to do.

I am quite proud of this budget document that we have produced, this outline for the country, because we have done our level best to keep faith with the priorities established by the President. He said to me, when I told him we were going to lose $2 trillion—he said: Look, do everything you can to preserve my priorities. He said, No. 1: Please do everything you can to make sure we can reduce our dependence on foreign energy. That is not just the President's priority, that is the priority of the American people.

No. 2, he said: Do your level best to preserve my priority by focusing on excellence in education because if we are not the best educated, we are not going to be the strongest country on Earth very long—and we have done that in this budget.

No. 3, he said: Please preserve my priority on major health care reform because that is the place that is going to take us over the cliff, in terms of our long-term economic future. That is the thing that is burdening families and businesses and taxpayers, so please do everything you can to preserve my key priorities, and do it in the context of dramatically reducing the budget deficit.

We have done that in this budget. We have preserved his priorities on reducing dependence on foreign energy, on excellence in education, on major health care reform. We provided reserve funds, deficit neutral reserve funds for each one of those categories, and we have reduced the deficit by two-thirds. We have gotten it down to 3 percent of GDP, which was his charge to us. We have done it all, even though we faced a dramatic reduction in revenue available to us.

Does that mean we could just copy the President's budget? Obviously not. We had to make adjustments, and we made $608 billion of adjustments over the first 5 years. I believe that was necessary and appropriate and prudent, and I hope we can hold onto those changes as we go through the markup. I am already hearing there are people who want to come here and increase the spending. I have already heard people are going to offer amendments to take away some of these adjustments. I am told Republicans and Democrats are meeting right now, this afternoon, to figure out how to come in and change this budget, to raise the spending. I am told there are a lot of Members represented at this meeting.

Let me send a word to them: Change this at your peril. We have carefully crafted this package to be able to win majority support. I think you better think very carefully about changing what we have brought to the floor because you might move it in your direction—more spending—only to wind up with a defeat on final passage of this budget. I hope those who are meeting will think very carefully about coming to the floor and trying to increase the spending in this resolution.

I yield the floor.

Mr. GREGG. Madam President, we are awaiting a speaker, but while we await the speaker, who is on his way—I think Senator SPECTER is coming—I want to respond to a couple of points by the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. He quoted me, with a huge chart—I always appreciate that, get my name out there; my eloquence is once again reestablished—but it is regrettable that he didn't continue the quote. The point I made in that was that in the short term there is a necessity to spend money because the Government is the last source of liquidity right now, and we need that in order to try to get the economy going. But what is inexcusable about this budget is that in the years 2011, 2012, and beyond spending continues. It goes down from 28 percent to 23 percent and then it starts to go back up to 23, 24, 25 percent of gross domestic product. It is spending done entirely by deficits—an average of trillion-dollar deficits over the next 10 years under the President's budget.

The point is, of course, you may have to spend now. We do have to spend now. The spending is not done that well. It was a total misappropriation of money. The stimulus bill was just walking around money for different interest groups in which the appropriators happen to have a vested interest. Legitimate. Most of them were very nice groups. But most of them didn't stimulate the economy. But after the stimulus event is over and the recession has abated, to continue this level of spending is unconscionable. It creates a debt that our children will have to bear, a debt that is unfair to pass on to them.

My point, of course, is, as we move into the out-years we have to try to rein in spending, try to control spending because the issue is spending. That is the bottom line. The problem is spending.

So you have this budget that has been proposed which is dramatically increasing the size of the Government intentionally. The President said he wants to do that. He said: I intend to create prosperity by expanding the size of the Government. He does it through creating a massive amount of debt—$9.2 trillion of new debt over the next 10 years, running the size of the debt as a burden on our economy up to 80 percent of gross domestic product—which is not sustainable and which will basically throw us into a situation where our children will not be able to afford the Government that is being passed on to them.

So when the Senator quotes me—and I appreciate him quoting me—I wish he would continue the sentence or continue the paragraph or the thought because it is the rest of the thought where the issue lies. The issue doesn't lie in the short term; the issue lies in the long term. The issue lies in what we are passing on to our children. The issue lies in the fact that under this budget, as brought to us, the debt and the deficit are exploding at a rate that no country can support. None. It creates financial hardship for this Nation if we continue down this path.

On another point, the Senator from North Dakota continues to bring up these charts about how they are bringing their deficit down below 3 percent, and the President has his up at 4.5 percent. The 4.5 percent is not sustainable. Everybody agrees with that. And 3 percent of the gross domestic product is barely sustainable.

How do they get there? They get there by simply using the old-fashioned shell game around here, which has been used for years, which is not putting on the budget that which we absolutely know is going to occur. At least the President had the decency and forthrightness to put into his budget these things we absolutely know are going to be spent on.

They claim with these reserve funds: ''Oh, we are responsible by doing reserve funds.'' That is a totally disingenuous statement. The President knows these reserve funds are not legitimate, and that is why he didn't use them. He put it in the doctor's fix and scored it. They put in a doctor's fix and don't score $90 billion, approximately. It is a significant amount.

The President said we are not going to have AMT; we are going to have a permanent fix on AMT. For 3 years this budget that is brought to us doesn't score AMT as revenues, but for the last 2 years it scores it as revenues. Why do they take these revenues even though we know we are not going to get them? So they can make their numbers look better, get below this 3 percent level, which is just a game.

Health care: The President in his budget says health care in his reform is going to cost about $400 billion over these first 5 years. Is any of that in this budget? None of it. A reserve fund, which is not even subject to pay-go, is used in order to mask that number. That helps to get below the 3 percent.

I mean, it is the use of the old gimmicks, the things which we at least respect the President for having come forward and saying: They are gimmicks, and therefore I am not going to use them. So just lay the President's numbers over this budget, and you get the exact same budget. When Peter Orszag, Director of the OMB, said there is 98 percent identity between these budgets, he was right and the practical effect was right.

The budget that was brought to the Senate floor is a profligate budget. It is a budget which basically goes out and spends at a level of 22 percent of gross domestic product for as far as the eye can see and generates revenues of 18 percent, 18.5 percent if they are lucky. That is after they raise taxes on the alleged wealthy—the small businesspeople of this country, the people who create the jobs—after they have hammered the small businesspeople who create jobs with a $1.4 trillion tax increase, hit us with a national sales tax on our electric bills, taking all that money and not using it to reduce the deficit at all, just use it to expand spending—after they have done all that, they have this huge gap which runs up debt, debt which is going to be unsustainable and unaffordable for our children.

It is certainly not appropriate. But at least the President was honest about it and straightforward and did not use a bunch of gimmicks to try to hide it so we could have an open and fair debate about it.

Unfortunately, that is not the case in the budget that is brought forward here. It is a budget which uses these games. Games which for a long time, have been used too often. I probably used a few of them when I was chairman.

But it is about time, since we have a President who is willing to come forward and say: This is the way it should be done, that we follow his lead and at least have the integrity to say he was right when he was transparent.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, let me be very clear. I absolutely reject the notion that the budget the Budget Committee has brought before this body has gimmicks or is misleading in any way.

I tell you what we do. We say things have to be paid for. Let's talk about the reserve funds that were just criticized. The reserve funds for health care, for energy, and education have a condition attached. The condition is, if the committees of jurisdiction come forward with legislation, they have to pay for them. That is the gimmick.

In Washington, things are so screwed up they think if you require something to be paid for, it is a gimmick. I do not think it is a gimmick to require things to be paid for. We should have been doing that a long time ago.

No. 2, he referenced the docs fix. The docs fix is this. Under current law, doctors who treat Medicare patients are going to have a cut. The President said: No, they are not going to have a cut. We will put it in the budget. But he had no offset for it. We are saying: No, we do not want the docs who treat Medicare patients to get a cut either. But, committees, if you produce the savings necessary to do that, we will not have the docs cut. You know what. That is what we have been doing.

I am on the Finance Committee. We have been assuring that the doctors who treat Medicare patients do not take the cuts that are in the law. But we have paid for it. That is what this budget does. It says to the Finance Committee: Do not cut the docs, but pay for it. Do not just put it on the budget, and do not worry about sticking it on the debt.

I am proud of that. That is exactly what we should have done.

On the alternative minimum tax, we say, for the next 3 years, when we are in a time of economic weakness and vulnerability, you can fix the alternative minimum tax that will otherwise affect 24 million Americans up from 4 million today. We say: No, do not let them get hit with more taxes at a time of economic weakness. But beyond the 3 years, if we are going to fix the alternative minimum tax—and indeed we should—pay for it. Pay for it.

That is what this budget says. That is no gimmick. That is being responsible.

On health care, the reserve fund says: Yes, we should have major health care reform. But pay for it. So the administration has said, it is their intention to pay for it. That is the intention in this budget, that it be paid for.

Let me be clear. These reserve funds, the ones triggered in the legislation are paid for. They call that a gimmick. I call it responsible. I know it is a new concept in this town.

Most people here, I have to tell you, our friends on the other side, their record is not pretty. When they were in charge, they doubled the debt. They were for every tax cut and every spending initiative. The result is they exploded the debt, doubled the debt of this country, tripled foreign holdings of debt. We are saying: No, we are not going to continue on that path. We insist on a trajectory that dramatically brings down the deficit. That means we have to insist that all these good things get offset, get paid for.

Now, the argument on the other side is, it will not happen. Not going to happen. We are not going to pay for things. Well, shame on us. Shame on us if we do not. Shame on us if we do not pay for the doc fix. We have been paying for it. Why all of a sudden do we say we cannot?

The alternative minimum tax. I will be the first one to say we have not been paying for that, against my votes, because I do not want the alternative minimum tax to be imposed. But it ought to be offset so it does not add to the deficit.

The same is true on energy. We should have significant energy legislation to reduce our dependence on foreign oil. But we ought to pay for it. I was part of a group called the Gang of 10—5 Democrats, 5 Republicans—who became the Group of 20—10 Democrats and 10 Republicans.

We came forward with major energy legislation to reduce our dependence on foreign energy, but we paid for it. We provided the offsets so it did not add to the deficit or the debt. I hope very much that is the principle we adopt.

I yield the floor and look forward to my able colleague's rejoinder.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Not to belabor the point, but if they are so devoid of gimmicks, why did they waive their own pay-go rule in the health care reserve fund? I mean, on the face of it, they lost the argument. It is their budget. It takes the pay-go rule and emasculates it, and it is their pay-go rule. They are not making them subject to their own rules of fiscal enforcement in their own budget.

So, yes, gimmicks are replete. That is just one of them. The alternative minimum tax, that is a gimmick. They know they are not going to get the revenues from AMT. They score the revenue numbers from AMT in the last 2 years. That is a total gimmick. Everybody knows that is a gimmick here. We do not account for TARP II. Now, maybe they are not going to support their President on TARP II. They do not account for it, so I guess they figure the President does not need anymore money for assisting the financial stress the country is under; the President does. We do not account for it.

Disaster costs. How do you eliminate disaster costs in the budget and claim it is not a gimmick? We all know there are disasters to fund. My goodness gracious. Clearly, there are disasters that are going to require significant funding. In an attempt to be forthright on that, the President put in a number. Taken out of this budget. Why? Because they wanted to get under this number, 3 percent.

Nothing to do with whether disasters are going to occur or not occur over the next 5 years or whether we are going to spend money on them over the next 5 years. It was purely an accounting gimmick, nothing more, nothing less than an accounting gimmick.

Health care reform. The President's own budget scores it at $372 billion. Do you think this Congress is going to step up and say to the President: Oh, we are going to pay for this, even though you do not think we should pay for it. I doubt that. I mean, another gimmick. The President was at least forthright and said it was going to cost $372 billion, and he put it in his budget. Why are they not paying for it on the other side, not because they do not think it is not going to be there, this cost, but because they want to get under this 3 percent.

Interest. My goodness. How do you gimmick interest? Well, they did it. They are not accounting for the interest, which these expenditures obviously incur. Interest is a pretty stable number. You are either going to get it and have to pay for it or you are not. The fact is, the goal was to look better than the President, even when you were doing exactly what the President wanted you to do.

It is pretty hard to come here with a straight face and claim your number is significantly different than the President's. It would be nice if it were. I wish it were. I wish it were. But it is not. What it all leads to is a massive amount of debt—a massive amount of debt. Even 3 percent is not sustainable. But, certainly, the real number, which is 4 to 5 percent, is clearly not sustainable. Even 60 percent, is not sustainable, which is the number they claim they get to. I mean, that is not sustainable. That is not an acceptable number, and, in fact, would not even get you into the European Union, it is so unsustainable.

But it is not the real number, 80 percent is the number, 80 percent of public debt to GDP. That is the projected number.

So these numbers are staggering. They should give everyone pause and cause them to say: What are we doing here? What are we doing to our kids? To our Nation? Are we going to hand them off to a country that is so deeply in debt, that is running up debt at such a significant rate, or are we going to try to kid our kids and say: Oh, well, you know, we—those numbers are not real. You are not going to get stuck with these numbers and this amount of debt.

We know we are going to stick them with these numbers and this amount of debt. I hear all about this—we have all heard this almost interminably now: Well, the last administration did this, and the last administration did that. I would point out that this Congress was controlled by the Democratic Party for the last 2 years.

So it was not just the Republican President, it was the Democratic Congress that was spending money. I have never been one to be very—to have defended the last President on the issue of spending because I thought the Presidency did not do a very good job on spending. I voted against most of the things that were passed around here that spent money.

The Part D premium, which was the worst example, $8 trillion unfunded liability. The agriculture bill, massive expansion, inappropriate. Done. Highway bill. Massive expenditure, $26 billion dollars of earmarks.

So, yes, there was failure to discipline the budget on the spending side of the ledger in the last Presidency. But there was an accomplice around here. It was called the Democratic Congress. Now, regrettably, we have a President who said very openly, he is going to spend money, and a lot of it, to promote prosperity by expanding the size of Government on all these different accounts which he deems to be worthy.

I imagine they are worthy. The only problem is we cannot afford them as a culture or as a government because the cost to our children will be a debt they cannot bear. You can try to pass a budget that covers that up through games and darts and gimmicks and shell games and various little exercises in redoing the accounting rules, such as changing pay-go.

But in the end, we all know what it is going to lead to, which is a deficit and a debt that is not sustainable and a nation put at risk as a result of that.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, again, there are not gimmicks here. There are requirements to pay for things. I know that seems like a gimmick to some because they are not used to paying for anything in this town. But that is what this budget says ought to be the operative principle: You start paying for things. If you want to have the doc fix, and I do, you pay for it.

That is what we have been doing in the Finance Committee. We have been paying for it. The President sent a budget that says you don't have to. But then we lost $2.3 trillion. So we are back to saying: Yes, you have to pay for it.

The alternative minimum tax for 3 years, when the economy is down, we say: No, do not raise revenues some other place to offset that because that would not make good economic sense at a time of weakness.

But when the economy recovers, offset the costs. That is exactly what we are going to have to do to get the books back in balance around here. The President put into his budget over $200 billion for disasters over the next 10 years.

The Congressional Budget Office would not score it. They say it is too speculative. Nobody at this point can tell you what the disasters are going to be. Look, I am especially sensitive to this. I have a major disaster going on in my State right now. I would love to put the money in. But there is not a soul on Earth who can tell you how much it is going to be at this point in time. We do not know if the levees are going to hold or if they are going to break.

To put in a number that has no relationship to any reality, that is honest accounting? I appreciate the President's attempt, but the Congressional Budget Office would not score one thin dime of it because they said it is too speculative.

I find it so curious. The other side complains all the time about "too much spending, too much debt.'' You do something to reduce spending in the budget I have offered—we cut the President's budget on domestic discretionary spending by over $160 billion—and now they complain about that.

I do not know how you ever get to the end without insisting that things get paid for and reducing spending and trying to get in place an overall fiscal condition that puts you on the right glidepath.

Now, the gentleman says you do not get to 3 percent of GDP because you have these reserve funds.

The reserve funds require, before anything happens, that the reserve funds be deficit neutral. That is a condition, a requirement. So, yes, you do get to 3 percent of GDP on the deficit, because we are not going to release those reserve funds, and I am the one who has been given the responsibility to decide whether they are released. We have put in a condition, and I can't release them if they are not paid for. Hallelujah, let's start paying for things around here.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Madam President, I have sought recognition to comment on the issue of reconciliation which may, according to some speculation, seek to deal with substantive legislative proposals such as health care or perhaps even education or perhaps even global warming. I believe any such effort would be a colossal mistake, to try to change Senate procedures to deal with such substantive measures on a legislative vehicle which will take 51 votes instead of allowing for the customary Senate debate which could be cut off only by 60 votes.

In this Chamber, we had a fierce debate in 2005, where the Democrats were lined up on filibustering President Bush's nominees for the Federal courts. Republicans were threatening a so-called nuclear or constitutional option. At that time the Democrats were utilizing the time-honored process of continuing the debate unless Republicans had 60 votes to invoke cloture and cut off debate, which Republicans did not have. The partisan feelings got so high that there was a plan devised where the system could be short cut, have a ruling of the Chair and have a motion to overrule the ruling of the Chair, have it decided by 51 votes. Fortunately, that did not occur.

Historically, as I spoke at some length on the issue at that time, the filibuster, the extended debate in the Senate, had guaranteed judicial independence in the impeachment proceeding of Justice Chase in about 1805, and saved the independence of the Presidency in the impeachment of Andrew Johnson in 1868. So that issue was avoided.

Now we have what may well be an effort to circumvent the 60-vote rule. The unique feature of the Senate, which has frequently been called the world's greatest deliberative body, is that any Senator can offer virtually any amendment on virtually any bill at virtually any time. That plus extended debate gives this Chamber the opportunity to acquaint people with serious problems and to build up public demand one way or another. That is an expression of speech and persuasion in a setting where there is opportunity to advance the public good. If we start to shortcut that procedure and undertake major legislative change on items such as health care or global warming or education, we will destroy a most precious aspect of Senate procedure.

According to the Congressional Research Service, reconciliation ''was created as part of the Congressional Budget Act of 1974 as a way to assure compliance with the direct spending revenue and the debt limit levels set forth in the budget resolution agreed to by Congress.''

The rules governing consideration in the Senate limit debate to 20 hours and, when all amendments are considered, the bill then moves on to a final vote. The House Resolution this year instructs the Energy and Commerce Committee and the Committee on Ways and Means to produce legislation on ''Health Care Reform'' and for the Education and Labor Committee to produce legislation on ''Investing in Education.'' These committees could produce legislation on other subjects within their jurisdiction, including climate change.

Senator BYRD, in a speech on February 12, 2009, at hearings entitled ''Senate Procedures for Consideration of the Budget Resolution/Reconciliation,'' had this to say—and we all know and prize Senator BYRD's erudition as the leading Senate scholar and spokesman and also the author of the Budget Act of 1974. This is what Senator BYRD said:

> I can say with confidence that the process the Senate utilizes today hardly resembles the process envisioned in 1974. Today the reconciliation process serves as a reminder of how well-intentioned changes to the Senate rules can threaten the institution in unforeseen ways. Reconciliation can be used by a determined majority to circumvent the regular rules of the Senate in order to advance partisan legislation.

Senator BYRD decried and protested loudly and effectively against that process. Earlier this month, March 12, 33 Senators, including 8 Democrats led by Senator BYRD, wrote to the Budget Committee Chairman and Ranking Member to ''oppose using the budget reconciliation process to expedite passage of climate legislation.''

The letter stated:

> Legislation so far-reaching should be fully vetted and give appropriate time for debate, something the budget resolution process does not allow. Using this procedure would circumvent normal Senate practice and be inconsistent with the Administration's stated goals of bipartisanship, cooperation, and openness.

I think it worthwhile to focus for a moment on what President Obama has emphasized in an effort to get bipartisanship, cooperation, and openness. There are those of us on this side of the aisle who have cooperated. I think it fair to say that to misuse the reconciliation process would be a very strong blow against bipartisanship and cooperation. Obviously, it would impede future activity by the Obama administration in reaching across the aisle to get necessary Republican votes.

Senator BYRD went on to say:

> I was one of the authors of the legislation that created the budget reconciliation process in 1974, and I am certain that putting health care reform and climate change legislation on a freight train through Congress is an outrage that must be resisted.

Pretty strong words, ''freight train'' and ''outrage.''

There are eight Senators on the letter to the Chairman and Ranking Member. I ask unanimous consent that the full text of the letter be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, March 12, 2009.

Hon. KENT CONRAD,
Chairman, Committee on Budget, U.S. Senate, Washington, DC

Hon. JUDD GREGG,
Ranking Member, Committee on Budget, U.S. Senate, Washington, DC

DEAR CHAIRMAN CONRAD AND RANKING MEMBER GREGG: We oppose using the budget reconciliation process to expedite passage of climate legislation.

Enactment of a cap-and-trade regime is likely to influence nearly every feature of the U.S. economy. Legislation so far-reaching should be fully vetted and given appropriate time for debate, something the budget reconciliation process does not allow. Using this procedure would circumvent normal Senate practice and would be inconsistent with the Administration's stated goals of bipartisanship, cooperation, and openness.

We commend you for holding the recent hearing. entitled ''Procedures for Consideration of the Budget Resolution/Reconciliation,'' which discussed important recommendations for the upcoming budget debate. Maintaining integrity in the budget process is critical to safeguarding the fiscal health of the United States in these challenging times.

Sincerely,

Mike Johanns; Robert C. Byrd; David Vitter; Blanche L. Lincoln; George V. Voinovich; Carl Levin; Johnny Isakson; Evan Bayh; Kit Bond; Mary Landrieu; James E. Risch; E. Benjamin Nelson; Lamar Alexander; Bob Casey, Jr.; Michael B. Enzi; John McCain.

Tom A. Coburn; Jim Bunning; John Barrasso; John Ensign; Bob Corker; James M. Inhofe; Chuck Grassley; Roger Wicker; Mike Crapo; Susan M. Collins; Thad Cochran; Kay Bailey Hutchison; Mark Pryor; Lisa Murkowski; Pat Roberts; Saxby Chambliss; Sam Brownback.

Mr. SPECTER. One other Senator has been quoted, one other Democratic Senator, in Politico last Tuesday, March 24, as warning that the circumvention of regular order could do ''serious damage to our bipartisan effort.''

We have the statement of Chairman CONRAD in the March 26 article in the New York Times stating:

I don't believe reconciliation was ever intended for this purpose. It doesn't work well for writing major, substantive legislation.

Senator BAUCUS, chairman of the Finance Committee, has been very outspoken in his opposition. I will quote him as follows from the Hill on March 26:

''Reconciliation would hurt healthcare reform, it would make it partisan, it would hurt, it would stymie it, it would make it very partisan.'' The reconciliation route is not designed to deal with measures such as health care. ''Healthcare reform is so large, you're going to have many provisions that are not directly related to revenue or directly related to spending.''

The article goes on to point out that Senator BAUCUS also said that putting health care reform under budget reconciliation would require that it be sunset after 5 years. Senator BAUCUS said:

It has to be term-limited five years; that's nuts.

Those are his words. Senator BAUCUS also said that the only way to pass ''sustainable'' health care reform would be to attract Republican support with which reconciliation protection would not be necessary.

Taking the eight Senators who signed the letter of March 12, adding the Senator identified in Politico from which I quoted, plus Senator BAUCUS and Senator CONRAD, adding those to the 41 Republican Senators who would likely be against misusing the reconciliation process—I don't speak for all of the other 40, but I think that is a fair inference—would be 52. That would present finding 50 Senators, plus the Vice President, if he chose to cast the 51st vote, so that the reconciliation process would not be possible.

It is important that all colleagues focus on this issue institutionally and how important it is. Whenever you cite numbers, there will always be slippage, but when you have the kind of strong language I have referred to today, there is strong reason that we should not have 51 votes somehow created in this body to misuse the reconciliation process.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, I yield 5 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. UDALL of New Mexico. Thank you, Madam President.

I thank the chairman for his excellent presentation today on the budget. I have been listening to a lot of this debate, and one of the things we all know is that a budget reflects our values. The President and the chairman of the Budget Committee have talked about how the four major things we are trying to do in this budget are health care, education, energy, and global warming, and also reducing the deficit.

I have seen over the years the chairman work on deficit reduction, and I know this bill is a very serious bill in terms of moving us toward that goal, as the President has said, over 4 years to try to get this budget under control. I certainly appreciate his hard work.

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

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

(The remarks of Mr. UDALL of New Mexico pertaining to the introduction of S. 743 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. UDALL of New Mexico. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, from Senator GREGG's time, I yield 15 minutes to the distinguished Senator from Utah, Mr. HATCH.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I rise today to express my deep concern about the tax increases—both explicit and hidden—in President Obama's budget and in the Democratic budget resolution before us today.

Erwin Griswold, the former Solicitor General under President Lyndon Baines Johnson, and also President Richard M. Nixon, once said:

We have long had death and taxes as the two standards of inevitability. But there are those who believe that death is the preferable of the two. At least, as one man said, there's one advantage about death; it doesn't get worse every time Congress meets.

Unfortunately, this budget would lead to taxes getting worse. In fact, they would get much worse, and not just for the so-called well-off and well-connected, as the budget refers to those who are targeted for explicit tax increases.

The title of President Obama's budget is ''An Era of Responsibility—Renewing America's Promise.'' However, this budget is irresponsible as to its implications for the next generations.

As I have mentioned before many times on this floor, I have 6 children, 23 grandchildren, and 3 great-grandchildren, and I am very concerned about their future and the future of all of our families throughout America, just as all of our colleagues are concerned about their posterity as well.

When I think about responsibility and the promise of America, I think about these next generations, both in my family and in the families of my constituents, and others, of course. This is why I am so concerned about this budget, and especially the tax burden this budget would place on the next generations of my fellow Utahans and all Americans.

This budget includes a number of tax increases, but I want to focus on just three of the major ones that would particularly affect these next generations.

Now, the Obama ''tax-orama:'' There will be a tax hike on America's industrial output and energy, a tax hike on America's job creation, and a tax hike on America's competitiveness.

During his address to Congress last month, President Obama promised:

[I]f your family earns less than $250,000 a year, you will not see your taxes increased a single dime. I repeat: not one single dime.

That is what he said. We have heard this promise before. However, from his first days in office, the President has proposed raising taxes and the cost of living on lower income wage earners, as well as on all Americans.

Now, how? Through the trillion-dollar-plus cap-and-trade climate change legislation that President Obama is proposing. This proposal, if enacted, would force energy and industrial companies throughout America to either pass these gargantuan costs on to their customers and employees or go out of business.

This tax on America's industrial output and energy is not even called a tax in the President's budget. Instead, it is referred to as ''climate revenues.'' However, we should not let that fool us. As the old saying goes: If it walks like a duck and quacks like a duck, it is a duck. This tax, estimated to total between $1.2 trillion and $1.9 trillion over the next 10 years, would be by far the largest tax increase in the history of the world.

It is true these new taxes might not be paid directly to the IRS or be withheld from workers' paychecks. Instead, they would be much more insidious. They would show up in the form of higher utility bills, higher costs for consumer goods, lost jobs, and a lower standard of living for everyone.

This tax hike on America's industrial output and energy—just think about it, called cap and trade—they refer to as ''climate revenues.'' Potentially, it is a $1.9 trillion tax on energy costs and an increase in the cost of living.

Well, the nasty thing about them is the American family may not even know how much they are paying—just that their standard of living has gone down.

The administration tries to tell us lower income Americans will be held harmless because the revenues from this new tax will be used to compensate them. Now, we have seen this type of compensation already from this administration, particularly in the stimulus bill.

If you look back to last year, before a Senate Finance Committee hearing, Peter Orszag, then CBO Director and now President Obama's Director of the Office of Management and Budget, admitted:

Under a cap-and-trade program, firms would not ultimately bear most of the costs of the allowances but instead would pass them along to their customers in the form of higher prices.

That was before the Senate Finance Committee on which I sit, on April 28, 2008. That is what OMB Director Orszag said about cap and trade.

Well, passing these costs on to consumers is bad enough and will cause a great deal of hardship to families and to the economy, but my question is, what happens if the firms are not able to pass these costs on to their customers? The answer is, they will go out of business and jobs will be lost. Either way the American family loses under this proposal.

As I mentioned, the President's budget says Americans will be compensated for these higher prices. However, I think a better word for the kind of compensation this budget has in mind is ''income redistribution:'' Let's take from those who have and give to those who have not. It is the same philosophy that brought us tax cuts for people who do not pay taxes.

Well, I suggest in the name of responsibility that if we want to raise taxes on Americans, let's do it in a straightforward way, where it is visible and does less damage. Raising taxes on anyone at this time of extreme economic vulnerability is a mistake, but this proposal does exactly what the President promised never to do and then excuses it by saying this is not a tax. Now, that is a bunch of hooey.

This new tax on America's industrial output and energy would be a colossal error and could cripple the ability of the next generations to reach, let alone exceed, the standard of living we now enjoy. This would be a tragedy because seeing our children and grandchildren do better than we have done is the real promise of America.

If this new tax on our industrial output and energy were the extent of the tax increases the President's budget proposes, it would be bad enough. Unfortunately, there is more bad news. The budget goes so far as to undermine and weaken the so-called stimulus bill enacted in February by calling for an increase in taxes that will affect job creation.

As we all know, the goal of all of our colleagues is to save or create millions of jobs. The explicit tax increases called for in the budget, however, would take away the very means for the private sector to perform this job creation. It would do this through increases in taxes on capital gains taxes, dividends, carried interest, and by raising the top individual rates where most small business income is taxed.

Just ask any small business owner who reports his or her business income on their own tax returns, as most do, and they will tell you if you increase taxes for the top two rates, then they will be forced to either reduce salaries or put a freeze on new hires. With nearly 200,000 small businesses in Utah, I do not think Utah can generate substantial job growth if small businesses face these tax increases. The same is true for other States. Two-thirds of jobs and small businesses are in firms with employees numbering between 20 and 499. These small businesses are the ones owned by individuals and taxed as individuals who would be targeted by President Obama's tax increases. The Small Business Administration tells us that 70 percent of new jobs each year are created by small businesses. Why in the world would we want to harm the ability of America's job-creation engine—small businesses—to help us create or save the jobs we so badly need right now? This is sheer folly.

Time and time again, research has shown that decreasing taxes on small businesses increases employment and raises wages. On the other hand, increasing taxes on small businesses hinders investment, including employment. Research by the Tax Foundation shows that raising the marginal tax rate by 5 percentage points reduces the percentage of entrepreneurs who invest by 10.4 percent and lowers their average investment by 9.9 percent. Reducing the tax rate from 39.6 percent to 33.2 percent increases the likelihood of hiring by 12 percent and raises the median wage for those hired employees by 3.2 percent.

These tax increases, which target the so-called wealthy, will miss the mark and hurt everyone, particularly those who lose their jobs or who do not get the job that might have been. The tax hike on America's job creation: two-thirds of small business jobs are targeted by President Obama's tax increases. Seventy percent of all new jobs each year are created by small businesses. These tax increases are going to hinder job growth.

Tragically, there is even more in this budget that would attack our ability to create jobs. The third leg of this assault is on America's competitiveness in a global economy. Beyond strengthening job growth for small businesses, we must also create an environment that encourages companies to invest in the United States as well as to expand worldwide to meet growing opportunities. Academic scholarship has shown that domestic companies that invest overseas strengthen their employment at home.

Unfortunately, we are moving in the wrong direction already. According to last year's listings of the world's largest companies, the so-called Global 500, only 8 of the top 25 corporations in the world were headquartered in the United States. Forty years ago, almost all of the top 25 were headquartered in America and were American firms.

This trend has a significant impact on jobs and the economy in the United States. Just this past month, several energy companies have announced plans to move to Switzerland because of that country's low corporate tax. To be frank, after looking at President Obama's budget proposal, I do not blame them. Such a move could become a matter of corporate survival if we are not careful. In fact, our system of worldwide taxation, coupled with one of the highest tax rates in the world, is enough to cause any firm to think twice about locating its worldwide headquarters here. And this is before the changes included in the Obama budget, which make the business landscape far less friendly.

How are we supposed to be globally competitive when we have the second highest corporate tax rate in the world? Our corporate tax rate is currently at 35 percent, second only to Japan's, with the average global corporate tax rate around 26 percent. It is no wonder that many companies in the United States are looking elsewhere. These are tax hikes on America's global competitiveness. Think about that. Domestic companies that invest overseas strengthen their employment at home. The United States is one of the few major nations to tax companies on worldwide income. The average global corporate tax rate here is 35 percent. We are the second highest in the world, second only to Japan.

The President believes our Tax Code includes incentives for U.S. businesses to ship jobs overseas, and the budget includes vaguely defined proposals that would supposedly put an end to this practice. However, the evidence shows that our tax laws do not lead to U.S. job loss but to increases in U.S. employment when companies invest overseas.

In summary, the Obama budget for fiscal year 2010, along with the budget resolution before us today, is a three-pronged assault on American job creation through new taxes on America's industrial output and energy, tax increases on America's job creation for small businesses, and tax increases on America's competitiveness. This assault is a huge contradiction to the stated goals of the President to create or save 4 million jobs. I know he is sincere and believes he can do that, but not with this budget. While it is true that most of these tax increases will not hit until 2011, this is likely to be just as dangerous a time for these job-killing tax hikes as 2009 would be. Most economists believe that if we are lucky, we will just be beginning to recover from this ugly recession in 2011. Instead of these antigrowth policies, we should be enacting policies of support, investment, and growth.

The great American satirist Ambrose Bierce once described responsibility as:

> A detachable burden easily shifted to the shoulders of God, Fate, Fortune, Luck, or one's neighbor. In the days of astrology it was customary to unload responsibility upon a star.

In President Obama's budget titled the ''Era of Responsibility,'' President Obama is attempting to unload responsibility on future generations. This is the wrong way to go. I hope we can make some changes to the budget this week that will help us grow the economy instead of growing the size of the Government. A stronger economy is the best legacy we can leave to the next generation.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, just one part of what the Senator has said do I wish to seek to clarify, and that is that while the United States does have the second highest stated corporate rate, we have one of the lowest effective corporate rates in the industrialized world. The reason for the difference is all the exemptions and exclusions that exist in our code for corporate rates. So while we do have the second highest published or nominal rate for corporate taxes, if you look at all of the industrialized countries in the world and what their effective corporate tax rate is, you find that ours is well below average.

Now, that doesn't mean we shouldn't have tax reform because many of us believe we need thoroughgoing tax reform, but I think there is a certain amount of confusion about the difference between our statutory rates and our effective rates.

Mr. HATCH. Madam President, if the Senator will yield on that.

Mr. CONRAD. I am happy to.

Mr. HATCH. I understand the nominal rate argument. The problem is that we are talking about taxing the corporate profits that are earned overseas. No other major industrialized nation in the world does that. If they do that, they make us globally uncompetitive.

In just the last couple of weeks, I have been trying to raise money for the National Republican Senatorial Committee. As I have called around, it is amazing to me how many corporate executives have said to me: We love this country. We want our companies to grow in this country. We want to be able to stay here.

Some of them are second-generation folks. But I have had a number of them say that if we do some of the corporate tax changes and some of the tax expenses that are assessed in this bill, they will move. One in particular said: I am going to have to move my company to Switzerland because we will not be competitive if that particular budget passes.

Now, I believe we can make arguments that the nominal rate may be something that must be considered, and I think it should, but I don't think you can argue against the fact that we are doing some very stupid things in this budget. Frankly, in the end, we might wind up having a lot more difficulty and we may lose even more of our major businesses because to be competitive they will move, and a lot of them have already moved.

So let's wake up around here and let's realize that—look, I respect the distinguished Senator from North Dakota. He has one of the tougher jobs—he and our colleague, the Senator from New Hampshire, JUDD GREGG, have one of the tougher jobs in the history of the country. Doing these budgets is very difficult with some of the problems we have. But I have listed three things that are going to sock corporate America like you can't believe. Frankly, one of them is the third point on the prong, and that is taxing corporate profits overseas. It is just a matter of reality that if we do this, we are going to reap the whirlwind. It is just that simple.

Mr. DORGAN. Madam President, if my colleague from North Dakota would yield for a question on this subject.

Mr. CONRAD. I am happy to yield.

Mr. DORGAN. Our colleague from Utah, Senator HATCH, if he would just observe, this issue is not a new one. I know Senator GRASSLEY, who is on the Finance Committee, is here, and there has been a lot of discussion about this: Do we have an extraordinarily high rate of taxation on corporations or don't we? We just heard on the floor that we rank I think the second highest in tax rates on corporations. Well, this is not some arcane discussion between people who can't understand exactly what is happening. We rank, I believe, third from the bottom in the rate of taxes paid by corporations of all of the OECD countries—30-some countries, we rank third from the bottom, not from the top.

So they come out here and say: Well, we have a high rate. Our statutory rate is high, toward the top, no question about that, but that is not what corporations are paying. They are not paying the rate, they are paying the rate minus all of the deductions and loopholes. The fact is, the corporate tax burden in this country is right close to the bottom of all of the other industrialized countries. Now, this ought not be debatable. We can easily find out what the facts are. So are we competitive with respect to the corporate income tax? The answer is yes.

I understand why the Chamber of Commerce and others want to perpetuate this notion that somehow we overtax corporations, but, in fact, the taxes paid by American corporations rank right near the bottom of all of the 30 or so OECD countries, the industrialized countries—right toward the bottom, not the top. That is what they, in fact, pay. If we are going to debate public policy, let's debate it with a set of facts so that we all understand what the facts are. The fact that people are talking about this in the context of what is the tax burden on corporations? The answer is, we are toward the bottom of all of the OECD countries. Those are the facts.

Mr. CONRAD. Madam President, the Senator is correct. I am on the Finance Committee, and I have this responsibility on the Budget Committee. It is very clear, while we do have a high nominal rate—I think we are second highest in the industrialized world—the effective rate that companies actually pay, we are near the bottom.

At this point, I wish to yield 25 minutes to my colleague from North Dakota.

Mr. DORGAN. Madam President, I know this is a very important debate, this issue of the budget. This is: What are our priorities? I have said often that 100 years from now, we will all be dead and the only evidence of what our value system was right here, right know, will be evaluated by historians. Historians will be alive, and they will look back and say: What did that country believe in? What was their value system? What did they think was important? What did they invest in? So take a look at all of this and then make judgments.

We will have a debate all this week on this issue: What is important for the country? What do we believe represents our highest set of values? Kids? I have always said I know what might be in second, third, or fourth place in people's lives, but I certainly know what is in first place—their kids, right? So what about our budget with respect to health care for kids, just as an example. When we establish the priorities of what is important in our country, this is where we do it: in the budget. We debate it, we think about it, and then we say: This is what our country believes to be important. Here is what we should invest in to make this a better place in which to live.

I came to the floor to say something about the financial crisis and the financial meltdown in our country because that has a profound impact on this debate on the budget. This financial meltdown has begun to dry up the Federal revenues on the tax side. It has pushed up dramatically the expenditure side because we have what are called stabilizers in our economy. When people lose their jobs, they get unemployment checks. So we have these economic stabilizers that increase spending, even during this financial crisis when you see decreased revenue. That has a huge impact on this budget.

If this financial crisis has this kind of an impact on the budget, then we have a right to know what has caused all of this to happen, and what can we do to make sure it never happens again.

Last week, the Secretary of the Treasury announced a number of steps for financial regulatory reform, and those are a move in the right direction. He says we are going to regulate hedge funds, we are going to require the oversight of what are unregulated derivatives—these fancy, exotic financial products these days—we are going to require many of them to be regulated, although not fully. He needs to go further. But the Secretary is moving in the right direction to regulate hedge funds, to get rid of this dark money and bring derivatives and CDOs and credit default swaps and so on into the daylight. Then he talks about a powerful regulator that would be able to take a look at systemic risks and so on. I think all of that advances the ball and is in the right direction.

But this doesn't yet answer the larger question we have to answer with respect to this financial crisis and this meltdown. That larger question, using an automobile metaphor, is this: Is it time for a tuneup or is it time for a complete overhaul of the system? I come down on the side that you have to overhaul the entire system if you are going to provide the confidence needed in the American people going forward.

Now, let me explain how I see what has gone on. For the last 15, 20 years, we have had a bunch of people who were worshiping at the altar of this new type of finance—new financial instruments, new larger financial institutions, securitized credit, and selling the risk forward so that someone giving a home loan to a prospective homebuyer doesn't have to underwrite it or care so much about the risk, because they can sell that risk to an investment bank or a hedge fund, and sell it several times—these fancy, complex financial products.

I mentioned credit default swaps. There also has been a dramatic expansion of debt and leverage with almost every part of our financial enterprise in this country. Congress repealed the protections that used to exist for banks called the Glass-Steagall Act. Congress not only repealed these protections that used to protect banks so they could not invest in real estate and securities, and so on, but then allowed for the creation of the very large holding companies so they could get involved in one big financial swap—one-stop shopping. Gramm-Leach-Bliley did this, supported by the Clinton administration, I might say. These are all new-fashioned ideas. They got rid of the old-fashioned ideas, such as Glass-Steagall—just deregulate the market and don't worry about them.

Alan Greenspan chimed in, saying: I want to make a nice sound with all of this deregulation that is going on in Congress and I believe in self-regulation. We don't have to regulate. The Chairman of the Federal Reserve Board, Mr. Greenspan, said that would work. The lending terms and the incomes were from outer space; the incomes were unbelievable in all of these areas. And then the lending terms were completely unsupportable, and I will describe a few of those today.

We need to overhaul all this. What do we do to overhaul this? We have to get rid of this too-big-to-fail notion. We are now allowing banks that are too big to fail to merge with troubled banks, making them, apparently, too much bigger to fail, which is bizarre. We need to get rid of the holding companies, which never should have been allowed to happen in the first place. We need to go back to Glass-Steagall and create a portion of that to separate banking from the other risk enterprises.

Until we do that and address those fundamental questions, I think it is going to be very hard to instill the kind of confidence we want to instill in the American people. The New York Times asked the question in their editorial on Sunday of this week: What is it we are trying to fix? What caused the meltdown?

If you go back to the mid-1990s, I wrote an article in the Washington Monthly Magazine that was a cover story in 1994, I believe. The title was ''Very Risky Business.'' I wrote about derivatives, and I wrote that about tens of billions in derivatives that then existed. I introduced four pieces of regulation to regulate derivatives trading. None of it was acceptable because those involved in the new, modern approach to finance felt that you don't regulate these things. They will self-regulate and everything will be fine.

Of course, it was not fine and we had not only the notion of too big to fail, but the repeal of Glass-Steagall. We had the deregulation of all of this and the fusing of banking with riskier enterprises in holding companies. Regulators came to town boasting about the fact that we were willing to be blind. We had products developed that were hard to understand for even those engaged in trading them. Coupled with that, we had an unbelievable culture of greed, and the result was a financial meltdown.

The question is, what has caused, as the New York Times said, this house of cards? What is the cause? Do we know? Well, the fact is we need to know in order to move forward. The American people need to know. There needs to be a narrative that says here is what happened. We understand a portion of what happened, and it has been a calamity. Nobody understands all of it. The Attorney General of New York is doing some investigations here and there, but there is no comprehensive investigation. I believe there ought to be a select committee of the Senate, and I have introduced such legislation, with Senator MCCAIN as a cosponsor. I believe we must do a select committee of the Senate to address these issues. I believe we also ought to have a financial crimes task force at the Justice Department to prosecute that which is discovered is illegal—a whole series of things.

We need to reconnect Glass-Steagall and decide that too big to fail is a doctrine that itself is old-fashioned, and we have to run our banks through a banking ''carwash'' of sorts, where you get rid of the bad assets and keep the good and rename them, if necessary. We need a banking system that is a circulatory system of our economy. But we cannot ignore what happened. We have to understand what happened and we have to fix it.

Let me go back to 1999, if I might, during the debate over the repeal of Glass-Steagall and passage of a bill called Gramm-Leach-Bliley. I was one of eight Senators who voted against it. On May 6, 1999, I said this bill will, in my judgment, raise the likelihood of future massive taxpayer bailouts. It will fuel the consolidation of mergers in the banking and financial services. I said that 10 years ago. I felt that would happen if we decided to let the big banks get bigger, without regulatory involvement. I said during that debate that we will, in 10 years time, look back and say we should not have done that repeal of Glass-Steagall, because we forgot the lessons of the past.

I wish this didn't happen, but it did. I wish to talk about what we do now. There are four steps. One, investigation. We need to find out what happened here. The New York Times has said—and I agree—in their questions on reform—in Sunday's editorial, it says that without an investigation, the reform effort will be, at best, hit or miss and, at worst, a charade.

Congress should start now to gear up for an investigation, using as its model the 1930s Pecora inquiry into the stock market crash, or the Watergate hearings of the 1970s. Here is a picture of Mr. Pecora, whom I described. Mr. Ferdinand Pecora was chief counsel of the Senate Banking Committee during the 1930s investigating the Wall Street banking and stock brokerage practices. He was involved in an investigation that I think was a very important one with respect to the cause and effect of the Great Depression. A real investigation is necessary and it will at least give those people who are furious about what happened an understanding and an outlet to understand and be a part of knowing what happened.

Now, I want to talk about the roots of some of this and why I think it is scandalous. The trigger of this financial crisis, I think, was the subprime scandal. Under the subprime scandal, there was so much debt and leverage that it was nearly unbelievable. We need something such as that to develop the narrative of what happened.

Let me describe the triggering mechanism with respect to the subprime lending. I went to the Internet today, and I will read a couple of invitations on the Internet. This is from speedybadcreditloans.com:

> Do you want your loan approved on the terms you desire, with easy credit and no credit check? This is the smartest and fastest way to get the money you need for a home loan. Bad credit, no credit, bankruptcy, you have been declined before? Don't worry at Speedy Bad Credit Loans we have lenders dealing with all kinds of credit loans. You will get the money you need, and fast.

That is today. They are willing to loan on those terms today.

You can go to the Internet and find a dozen of these. In fact, I will show you this. Leading up to this crash, this financial crisis, Zoom Credit said this in their advertisement:

> Credit approval is seconds away. Get on the fast track, and at the speed of light they will approve you. Even if your credit is in the tank, Zoom Credit is like money in the bank. We specialize in credit repair and debt consolidation. Bankruptcy, slow credit, no credit, who cares?

Is it a surprise that a financial system that allows this nonsense to go on somehow, at some point, collapses? That is not a surprise to me.

Here is Millenium Mortgage's advertisement:

> Twelve months, no mortgage payment. That's right, we will make your payments for the first 12 months. Our loan program may reduce your current monthly payment by as much as 50 percent and allow you to make no payments for the first 12 months. Call us today.

Countrywide, the single largest mortgage company in America—by the way, its CEO was able to get out of this with around $140 million, or so, I am told. They said:

Do you have less than perfect credit? Do you have late mortgage payments? Have you been denied by other lenders? Call us. Are you a bad risk? Call us, we will lend you some money.

What did the biggest mortgage company in our country do? It made all these mortgages and then wrapped them up into securities—they securitized them. I have described it like the making of sausage, when they used to pack them with sawdust as filler. They packed these securities with good loans, bad loans, subprime loans, and conventional loans, and sold them to an investment bank, or a hedge fund—and, by the way, when you read about the toxic assets in the bowels of these institutions, these are the toxic assets.

Is it a surprise? This is bad business. They all made big money. They were like hogs at a trough, with unbelievable greed. They made massive amounts of money. Yet they were able to sell the risk forward, and the people in the hedge funds made money, and the people in the investment banks made money. The amount of money they made is unbelievable. Bear Stearns went belly up. Alan Schwartz, the CEO of Bear Stearns the 5 years prior, made $117 million. Jimmy Cane, the previous CEO, 5 years prior, made $128 million. At Lehman Brothers, Dick Fuld, 5 years prior to him going bankrupt, made $350 million. This was a carnival of greed. Everyone was doing well, except the economy, with this unbelievable avalanche of debt and leverage that all completely collapsed.

Now, we have a situation today where we have the American people trying to figure out what happened. I described the subprime loan scandal, which was at its roots. They were all making a lot of money by victimizing the American people. I should say some of the people were not victims. Some of these folks were willing victims because they wanted to buy a house with a special deal and flip it and make money. They got caught. They are not really victims. They were trying to profiteer. A lot of other folks were victims of this sort of scam.

I mentioned that these big investment banks took on all these assets and then got bailed out, and we now think there is $9 trillion of American taxpayers' money at risk going out through the back door of the Federal Reserve Board, Treasury, and the FDIC—$9 trillion. There has never been a hearing about that. No one has been able to get the Federal Reserve Board before a hearing to tell us where those trillions of dollars are pledged, who got the money, and how much money did they get. You cannot find out. The information we do have is pried out of the Federal Reserve Board. Bloomberg News corporation filed a lawsuit to get some of this information. That is unbelievable.

I mentioned these big financial firms that got all these bailouts. About $45 billion in TARP funds have gone to Bank of America. Bank of America got $30 billion in January of this year. Bank of America, last September, was urged to buy Merrill Lynch, a failed investment bank, by the then-Treasury Secretary Paulson. So what happened was the marriage was arranged by the Treasury Secretary and was going to be consummated in January. It turns out that in December, Merrill Lynch, which lost $27 billion in 2008, paid $3.6 billion in bonuses to their employees.

Let me say that again. An investment bank called Merrill Lynch that lost $27 billion—$15 billion in the fourth quarter alone—paid $3.6 billion in bonuses in December just prior to being taken over by Bank of America. Then Bank of America received $20 billion in TARP funds from the American taxpayers—in addition to $10 billion it had just been paid, which was initially allocated to Merrill Lynch. Pretty unbelievable.

Here are the Merrill Lynch bonuses, $3.6 billion. The top four executives got $121 million. This is for a company that lost $27 billion last year and was a failing company. Madam President, 694 executives got more than $1 million each. These are bonuses that would normally have been paid in January. They were paid in December, and my suspicion is they were paid by arrangement with Bank of America to be paid before the end of the year and before $30 billion went from the American taxpayers to Bank of America that just took over Merrill Lynch. That means, in my judgment, the American taxpayers paid bonuses to those who worked for a company that lost $27 billion in a year.

Do people have a right to be furious about this situation? You bet they do, and they should.

There are a lot of needs we have in this country to try to find a way to fix this situation so it never happens again. But as I have indicated, the first step, it seems to me, always is to try to understand what has happened and what to do about it.

The Washington Post had a story recently. In fact, I believe it was an editorial. They talked about the fact that hedge funds were not a part of the problem in this financial meltdown. I don't know about that. Let me show some examples of incomes at the hedge fund level. This is a man named James Simons. There is no implication here about being right or wrong, legal or illegal. My point is about the spectacular amount of income, what I call incomes from outer space. Mr. Simons made $2.5 billion last year—$2.5 billion. It is interesting. He runs a hedge fund.

Here is a man named John Paulson, who also runs a hedge fund. He made $2 billion last year. It seems to me he is probably profoundly disappointed because the year before, John made $3.7 billion. And, oh, by the way, my best guess is that each of them probably pays a 15-percent income tax rate, something called carried interest. But that is another story for another day. They pay income tax rates, in most cases, that would be below the marginal tax rate paid by their receptionist in their office. That is not their fault. That is the fault of the Tax Code and the fault of this Congress for not changing it.

John Paulson last year made $3.7 billion. He has a reason probably to come home and say: Honey, we need to tighten our belt here. Madam President, $3.7 billion—by the way, that is $10 million a day. In 2007, he made in 4 minutes what the average worker works for a year to make. Incomes from outer space, big old hedge funds—they play a role in this collapse. The Washington Post said they have played no role. Oh, really? Really? Where are they in the food chain of derivatives, credit default swaps, CDOs? Does the Washington Post know? Of course, it doesn't. It doesn't have the foggiest idea what role hedge funds may have played in this situation.

What we do know is there is a lot of dark money out there traded off the exchanges. Nobody knows what risk you have. That is why you have had all these big-shot bankers walking around acting like they are in some sort of seizure because nobody knows how much risk has been taken on. Every time we turn around it is more. It is billions, hundreds of billions, then trillions of dollars.

As I said earlier, we need to create a select committee in the Senate and soon. It is this body's job. We are the ones who send the money out. We are the ones who have said we are going to provide $700 billion of TARP funds. It is our responsibility to track it and to understand what has caused its need.

Second, I think there is a substantial reason—by the way, there are some attorneys general of this country, including Mr. Cuomo in New York, who are doing first-rate work in investigating. But I think there is substantial reason to believe there is a need for a national financial crimes prosecution task force.

Do I think all of this is criminal? Not at all. I think some of it is born of ignorance, some of it is born of greed, some of it is born of deliberate, willful blindness. But there are some, in my judgment, who desperately deserve to be investigated and, if necessary, prosecuted.

Finally, real reform. Real reform exists when we have real regulators, when we revisit 1999 and restore a portion of Glass-Steagall, when we decide to take down the ceilings and walls of these large holding companies, when we decide we are going to restore, once again, trust in banks.

Let me also say that in my home State, I visit with a lot of community bankers. They are not at risk. They did not do this. They did not invest in these assets. Most of them did banking the old-fashioned way. They took deposits and made loans. When they made loans, they underwrote the loans. That is the way banking ought to be done. We need to revisit that with respect to some of the largest banking and financial enterprises in our country.

I am convinced we can fix all of this. I understand there is great anxiety. None of us have been here before. No one quite knows what is the medicine to try to address this economic illness. I understand. There is reason to be anxious. But I am also convinced we can and we will find the opportunity to put this back on track and fix what is wrong in this country. We will not fix what is wrong unless we understand the core and root cause of what has happened.

There is nothing I see—nothing I see—that is going to give us that answer. It is our responsibility. If we are required to put up the money, to try to find a way to invest in future health and so on, it is our responsibility to find out what happened and make sure it cannot happen again.

Steps are being taken in the right direction. I applaud those steps by the Treasury Secretary and others. But we are not nearly there with the giant steps that are necessary to fix that which has been existing now and growing for a decade or two.

Finally, I was telling a group the other day about Ray Charles, who used to sing that great song ''America the Beautiful,'' when he sang '' . . . spacious skies, For amber waves of grain, For purple mountains majesties. . . .'' The interesting thing about Ray Charles, who sang that song unlike anybody else could sing it, was he was blind. Somehow, to me, it always meant it wasn't so much someone being able to see this as it was to experience what the idea of America is. America is an idea. Part of this idea, born over two centuries now, is we have the capability to do almost anything if we get together and decide to work together. We can do that now. We can put this country back on track. This is a financial collapse of significant proportions, perhaps the greatest crisis we have faced since the Great Depression. But I am not despondent about that if we can begin to take the steps—not the baby steps but the big steps—in the right direction to decide to fix what went wrong. The first step to do that always is to understand what went wrong and then join together and say: We can make this right; we can make a better future happen if we decide to link arms and come up with the answers.

I am going to speak, at some point later, on the budget as well. But nothing impacts this budget in a more profound way than the financial collapse and meltdown which we have seen. It dramatically increases the need for funding for economic stabilizers, unemployment and so on and it substantially reduces the revenue. It has caused a substantial increase in deficits. Even as we debate this budget going forward for 2 years, 5 years, 10 years, the fact is we have to get this right. We have to put this economy on track, and I believe we can do that if we make the right decisions very soon.

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

The PRESIDING OFFICER (Mr. WARNER). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. 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. GREGG. Mr. President, at this point, I yield to the Senator from Iowa, and I ask unanimous consent that upon completion of his statement, unless the Democratic membership has a speaker to intercede, the next speaker be the Senator from South Dakota, who will be recognized to offer the first amendment, which I understand on our side is going to be acceptable.

Mr. DORGAN. Mr. President, reserving the right to object, and I will not object, the point is following the next Democratic speaker, if there is one?

Mr. GREGG. Yes.

Mr. DORGAN. I do not have an objection.

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

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, today the Senate begins consideration of whether we should apply more or less budget discipline to record debts and deficits that my President, President Obama, inherited when he came into office January 20 of this year.

Last week, we heard a lot of revisionist fiscal history or it might best be described as heavy editing of recent budget history. Our President has alluded to it several times. I agree with the President there is a lot of revisionism in this debate. The revisionist history basically boils down to two conclusions: The first is that all the good fiscal history of the 1990s was derived somehow from a partisan tax increase bill that passed in 1993; and that, two, all the bad fiscal history of this decade to date is attributable to the bipartisan tax relief plans of 2001 and later.

Not surprisingly, nearly all the revisionists who speak generally oppose tax relief and support tax increases. The same crew generally supports spending increases and opposes spending cuts.

In the debate so far, many on this side of the aisle have pointed out some key and undeniable facts. It might surprise you, but we happen to agree with President Obama on one key fact. This President did inherit a big deficit and a lot of debt.

During the last quarter of 2008, the antirecessionary spending, together with lower tax receipts because of the recession, and the TARP activities has set a fiscal table of a deficit of $1.2 trillion. That was, in fact, on the President's desk when he took over the Oval Office on January 20 of this year. That is the highest deficit as a percentage of the economy in post-World War II history inherited by any of the Presidents since World War II.

Quite obviously, this is not a pretty fiscal picture. I have a chart that shows the history of that fiscal time, through the last administration and the big deficit at this point about which President Obama speaks.

As predicted a couple months ago, that fiscal picture got a lot uglier with the stimulus bill. For the folks who saw that bill as an opportunity to recover America, with Government taking a larger share of the economy over the long term, I say congratulations because you got what you wanted. For those Senators who voted for the stimulus bill, those Senators put us on a path to a bigger role in Government.

So let me make it clear. Those Senators who voted for the stimulus bill, you put us on a path to a bigger role in Government. Over a trillion dollars of new deficit spending was hidden in that bill. It caused some of the extra ink on this chart for the year we are in. This is what was inherited by January 20, but legislation passed since January 20 adds that much. Supporters of that bill, then, as far as I am concerned, need to own up to the fiscal course that has been charted by actions of this Congress and this President since January 20.

Now, to be sure, after the other side pushed through the stimulus bill and the second $350 billion of TARP money, the Congressional Budget Office reestimated the baseline. A portion of this new red ink upfront is due to that reestimate. The bottom line, however, is that the reestimate occurred several weeks after the President and a robust Democratic majority took over the Government. Decisions were made, and the fiscal consequences followed. Those fiscal consequences are in these red figures, above what would have been if Bush's budget had stayed in place during this period of time. That is where we would be.

Some on the other side raise this point about the March CBO reestimate. Of course, that is fine, but if they were to be consistent and intellectually honest, then they would have to acknowledge the CBO reestimate that occurred in 2001, after President Bush took office. The surplus went south because of what? Because of economic conditions. The $5.6 trillion number—so often quoted by those on the other side—was illusory. And I will say more about that in just a few minutes.

Here is where the revisionist history comes from. It is a strategy to divert, through a twisted blame game, from the facts before us. How is the history revisionist? Well, I would like to 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 knock down that falsehood, all you have to do is take a look at this chart. And this chart is not produced by data I accumulated but data from the Clinton administration. So here we have a history put forth with data from the Clinton administration about the tax increase of 1993 and whether it did a lot of good or not so much good.

Much of the ballyhooed partisan 1993 tax increase accounts for just 13 percent—just 13 percent—of the deficit reduction that took place during all of the 1990s—again, just 13 percent.

Now let's look at what are the biggest sources of deficit reduction, because obviously it is not the tax increase.

Thirty-five percent came from a reduction in defense expenditures. Of course, that fiscal benefit originated from President Reagan, who stared down the Communist regime in Russia. The same folks on that side who opposed President Reagan's buildup somehow want to take credit for the fiscal benefit of the peace dividend—that 35 percent.

The next biggest source of deficit reduction—32 percent—came from other revenue. Basically, this was the fiscal benefit from progrowth policies, such as the bipartisan capital gains tax cut of 1997 and, of course, the free-trade agreements President Clinton, with Republican votes, established. That is the 32 percent that reduced the deficit from that point of view.

The savings from the policies that I earlier mentioned translated, obviously, into interest savings, and that interest savings is this 15 percent right here.

Now, for all the chest thumping about the 1990s, the chest thumpers who pushed for big social spending didn't bring much to the deficit reduction table of 1990. That amounted to a mere 5 percent.

What is more, the fiscal revisionists 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 the Republicans controlled the Congress for the period where the deficit came down and turned to surplus. They tend to forget that they fought the principle of balanced budgets, which was the centerpiece of the Republican fiscal policy that led, over a 4-year period of time in the late 1990s, to paying down $570 billion on the national debt.

Now, you may remember the Government shutdowns of late 1995. Remember what that was all about? It was about a plan to balance the budget. Republicans paid a pretty high political price for forcing that issue. But in 1997, President Clinton agreed. You may recall all through the 1990s what those yearend battles were all about. On one side were congressional Democrats and the Clinton administration pushing for more spending, and on this side of the aisle congressional Republicans were pushing for tax relief. Well, what happens when you have that extreme—more spending on the one end, less spending and tax decreases on the other? Both sides end up compromising. That is the real fiscal history of the 1990s.

So now let's turn to the other conclusion of the fiscal revisionists. That conclusion happens to be that in this decade, since the year 2000, 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. You know, NASDAQ lost 50 percent of its value in the year 2000, not in the year 2001. That bubble burst. You may remember that starting in February 2000, we started on a 46-month decline in manufacturing, so we had a manufacturing recession already set in place. Then, of course, came the economic shock of the 9/11 terrorist attacks. And, of course, you have to add in corporate scandals to that economic environment. You will remember Enron.

It is true—very true—that as fiscal year 2001 came to a close, the projected surplus turned into a deficit, and the chart shows that right here in 2001. In just the right time, though, the 2001 tax relief plan kicked in. As the tax relief hit its full force in 2003, the deficit grew smaller. This pattern continued from 2003 through 2007.

If my comments were meant to be a partisan shot, I could say that this favorable fiscal path from 2003 to 2007 was the only period—aside from the 6 months in 2001—where Republicans controlled the White House and the Congress. But, unlike fiscal history revisionists, I am not trying to make any partisan points. I am just trying to get to the fiscal facts.

I have another chart 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. Observe this chart. On a year-to-year basis, this chart compares the change in revenues as a percentage of GDP. In 1993, the Clinton tax increase brought in more revenue as compared to the 2003 tax cut. You can see here, compared to here. That trend does reverse, as you see here, as both policies moved along. You can see how the extra revenue went up over time relative to the flat line of the 1993 tax increase.

This is the 1993 tax increase bringing in revenue and then pretty much flatlining out over a long period of time; whereas you can see the tax relief bill of 2001 went down and then very dramatically increased in revenue. This ought to disabuse people who think that every time you increase tax rates you bring in more revenue and when you decrease tax rates you bring in less revenue. This chart shows that you can decrease tax rates and bring in more revenue.

So let's get the fiscal history right. The progrowth tax and trade policies of the 1990s, along with the peace dividend, had a lot more to do with deficit reduction in the 1990s than the 1993 tax increase. In this decade, deficits went down after tax relief plans were put into full effect.

Now that is the past. We need to make sure we understand it. You have to understand the past because the past is going to be brought up the next 4 days of this week as we are on this budget resolution. And, by golly, people ought to be accurate when they state what the impact is of the 1993 tax increase versus all the blame that is given on this side of the aisle for actions taken in 2001 and beyond with those tax reductions.

What is most important is the future. People in our States send us here to deal with future policy. This budget debate should not be about Democrats flogging Republicans and vice versa. The people don't send us here to flog one another like partisan cartoon cutout characters, and do it over past policies. They do not send us here to endlessly point fingers of blame. Let's focus on the fiscal consequences of the budget that is before the Senate over the next 4 days.

President Obama rightly focused us on the future with his eloquence during his 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.

Well, President Obama was right. We need a President—and I would add Congressmen and Senators—who can face the threats of the future. This budget as currently written poses considerable threats to the fiscal future. It taxes too much, it spends too much, and it borrows too much. Grasping at ideas of the past, or playing the partisan blame game, will not deal with the threats to our fiscal future.

Let's face the honest fiscal facts. Let's not revise fiscal history as we start this critical debate about the fiscal choices ahead of us. The people who send us here have a right to expect nothing less of us.

As I noted in remarks just completed a shorttime ago, a portion of the new deficits to the Congressional Budget Office March re-estimate. CBO revised the deficit downward by $1.3 trillion over 10 years. The revision is attributable to much worse economic conditions. The bottomline, however, is that re-estimate occurred several weeks after the President and robust Democratic majorities took over the government. Decisions were made and the fiscal consequences followed.

Some on the other side raise this point about the March CBO re-estimate. That's fine, but, if they were to be consistent and intellectually honest, then they would have to acknowledge the CBO re-estimate that occurred in 2001 after President Bush took office. The surplus went South because of economic conditions and new spending needed to deal with the consequences of the 9/11 terrorist attacks. The $5.6

trillion number so often quoted by those on the other side was revised within a year of President George W. Bush's presidency.

In January 2002, CBO revised the $5.6 trillion number downward to $1.6 trillion. To listen to folks on the other side, you would think all of that $4 trillion downward adjustment was attributable to the bipartisan tax relief of 2001.

In fact, the tax relief accounted for 40 percent of the adjustment. Most of the balance, $2.6 trillion, was due to factors that had noting to do with the tax relief. I am talking about the reduced revenues, increased spending for the war on terror and homeland security and other factors.

So, if folks on the other side want to be intellectually honest about the budget and fiscal history, they need to be consistent on how the CBO re-estimates are treated. If you are going to give President Obama $1.3 trillion for the post-January 20, 2009 re-estimates, then you have to give President George W. Bush credit for twice as much, $2.6 trillion. That's what CBO said in January 2002. we can't have different standards for different people and be intellectually honest.

One other point that came up was the comparative corporate tax rates. As Senator HATCH pointed out, the U.S. statutory corporate rate is very high. The Chairman of the Budget Committee agreed but then stated that the U.S. effective corporate rate is relatively low. Business taxation occurs in corporate and non-corporate form, through S corporations, partnerships, and proprietorships. If you want to compare U.S. taxation with the rest of the developed world, it is best to look at comparative business tax rates on investment. If you do so, you will find the U.S. has a higher rate than the G–7 group of comparative economies. You will find this data in an analysis prepared by former Senior Treasury Economist Robert Carroll.

This analysis is contained in an August 2008, Tax Foundation paper entitled ''Fiscal Fact Comparing International Corporate Tax Rates: U.S. Corporate Tax Rate Increasingly Out of Line by Various Measures.''

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, this week the Senate focuses on the Federal budget and folks at home are going to hear a lot about reserve funds and reconciliation and a lot of other technical budget lingo. A reserve fund, for example, is not some kind of checking account where you can go get a bunch of money to spend on Government programs. It is more like a work plan that is used to structure how difficult policy judgments are made on important issues.

Budget reconciliation is perhaps even more incomprehensible to folks. That is why I want to spend a few minutes this afternoon talking about what it means, particularly in terms of health care reform, which we all understand is a particularly pressing domestic concern. Budget reconciliation, strictly speaking, means reconciling Government policy with budget targets. If you were to pursue health care reform using budget reconciliation, you would, under the Senate rules, need only a majority vote here in the Senate as opposed to 60 votes, which is often needed in the Senate to cut off debate. So Senators now find themselves being buttonholed by reporters for something of a health care interrogation. The question invariably is, is a Senator in favor of using reconciliation for health care reform?

The theory, I gather, is if a Senator is in favor of using budget reconciliation, the Senator is just in favor of bullying health care reform through the Senate with a narrow majority. And somehow, if a Senator is not for using reconciliation on health care reform, that Senator is not sympathetic to the cause of fixing the American health care system.

It is my view that, like most of these kinds of issues, this is vastly oversimplifying the case. In my view, I have spent more than 5 years trying to make the issue of reconciliation on health care irrelevant. Senator BENNETT and I, for example, have teamed up, now joined by 14 colleagues of both political parties, evenly divided, because we believe it is critically important to address this issue of health care reform in a bipartisan way.

Every time we talk about this issue, we talk about our desire to work with the chairman of the Finance Committee. I see the ranking minority member on the floor, Senator GRASSLEY. It is our desire to work with Chairman BAUCUS and Senator GRASSLEY and Chairman KENNEDY and our colleague from Wyoming, Senator ENZI. Everything we have worked toward in this area of health care reform has been pointed toward the goal of making reconciliation irrelevant because we wish to be part of an effort, working with Chairman BAUCUS and Senator GRASSLEY and Chairman KENNEDY and Senator ENZI, on a path to getting 68 to 70 votes here in the Senate so we can have an enduring and bipartisan coalition in place to fix American health care.

I will tell you, on the basis of visiting most of our colleagues in their office to listen to them on the issue of health care reform, I think it is possible to find a path to 60 to 70 votes on this critical domestic question. I think there is a growing consensus here in the Senate that both political parties have been right on major concerns they have about American health care. I think there is a growing awareness that our party, the Democratic Party, has been right on the issue of ensuring that all Americans have good quality, affordable coverage. If you don't do that, what happens is the people who are uninsured shift their bills to the insured and they shift the most expensive bills. So you cannot fix this system unless you get all Americans good quality, affordable coverage.

I think Republicans have had a very valid point with respect to giving flexibility to the private sector on the issue of health care. It is important, so as to not freeze innovation, to make sure there are not price controls, there are not global budgets so there are plenty of private sector choices, the way Members have with respect to this issue. It is something of a philosophical truce. Democrats have been right on the issue of making sure that you expand coverage to stop the cost shifting and deal with the question of holding down costs which is so important to American business and tough global financial markets. And Republicans have had a valid point with respect to the role of the private sector.

I think there is a growing consensus about how, if you are going to contain costs in American health care, you have to go to areas that change the incentives, that drive the behavior in American health care. Right now, most individuals don't even have a choice with respect to their health care. If they are lucky enough to have employer-based coverage, they don't get a choice. So they are already in a position, in my view, that is not fair and certainly is not in sync in a way that works for the Members of the Senate. The distinguished President of the Senate and every other Member come here and get plenty of private sector choices for their health care, and I think there is a growing sense here in the Senate that those kinds of choices ought to be available to all Americans. Fourteen Senators are behind legislation that would do that. I point out the very fine white paper offered on American health care by the distinguished chairman of the Finance Committee envisions Americans having more choices for their coverage, the way Members of Congress have.

We are going to talk about a lot of issues this week with respect to the budget. You are going to hear a lot about reserve funds and reconciliation. I hope that as colleagues go through this topic and issues related to it, the rules with respect to how you are going to pay for American health care, I hope there will be a recognition that a lot of Senators wish to make the issue of reconciliation on health care irrelevant.

Senator BENNETT and I, for example, have received a report from the Congressional Budget Office—it is on my Web site—making it clear that our proposal is revenue neutral 2 years in and in the third year starts bending the cost curve downward. The way we get those savings, in most particulars, is through approaches that Chairman BAUCUS has advocated in the white paper I have mentioned here on the floor.

There are plenty of opportunities for finding common ground on this budget, on bringing Democrats and Republicans together on key issues such as health care, on making the whole question of reconciliation go by the boards because Democrats and Republicans have come together.

I want to close by commending Chairman CONRAD for the approach he has taken with respect to the budget and for his desire, particularly, to work in the health care area of the budget in a bipartisan way. He worked with me, for example, on the issue of suggesting in the budget that periodic reports would have to be made with respect to health cost containment. That sends a strong message that the Senate is not going to wait around for 10 years or so to see if there are any savings. Chairman CONRAD has added language to make it clear that on an ongoing basis there should be an effort to wring out savings from the existing $2.5 trillion being spent on American health care this year. Chairman CONRAD does not want to sit around and wait for 10 or 12 or 15 years to see if anybody can save some money on American health care. He has picked up, as the Congressional Budget Office said in their report to Senator BENNETT and me and our colleagues, there are savings that can be made over the next few years.

There is enough money being spent on American health care today. It is not being spent in the right places. This year we will spend $2.5 trillion on health care. There are 305 million of us. If you divide 305 million into $2.5 trillion, you can go out and hire a doctor for every seven families in the United States. You could hire a doctor for every family in the State of Virginia or Oregon or elsewhere, pay the doctor $225,000 a year, and invariably when I bring this up to physicians, they say: Where can I go to get my 7 families?

We spend enough on health care. We don't spend it in the right places. Chairman CONRAD, by approaching the health care issue as he has in this budget, allows us to first focus on the savings that can be produced out of the existing $2.5 trillion. I commend Chairman CONRAD for working with us in that fashion.

I also commend the ranking minority member for his work on health care as well. He is a cosponsor of the Healthy Americans Act and has made it very clear that he wants to work with Chairman BAUCUS and Senator GRASSLEY and Chairman KENNEDY and Senator ENZI so that we bring the Senate together in a bipartisan fashion.

There is much to work with here. As Senators do get buttonholed by reporters with respect to the issue of whether they are in favor of using reconciliation for health reform, I hope Senators will see that this is not a yes or no answer but that there is a large and bipartisan group of us who want to pass health care reform this year on President Obama's timetable—this year—but we want to do it by bringing Democrats and Republicans together and making the issue of reconciliation on the issue of health care reform irrelevant.

I yield the floor.

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. CONRAD. 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. CONRAD. On a number of previous speakers, I am afraid I had to be away from the floor to deal with some of the challenges back home with flooding. Some of the previous speakers have referenced tax increases as part of the budget I have offered my colleagues in the Senate.

Let me indicate very clearly, the budget resolution that is before us has net tax cuts, net tax cuts of $825 billion. The other assertions directed at the President's budget about tax increases—and there are tax increases in the President's budget and in my budget, but they are completely dwarfed by the tax cuts that are in our budget.

In the President's budget, over 10 years, he has $2.4 trillion of net tax cuts. In other words, if you take the tax raises that are in the President's budget and you stack them up against the tax cuts in the President's budget, he has a net of $2.4 trillion of tax cuts over 10 years.

In the budget I have offered my colleagues that has come from the Budget Committee, that is a 5-year budget instead of a 10-year budget of the President, we have net tax cuts of $825 billion.

Here is why that is so. Middle-class tax relief from 2001 and 2003 is all extended in this budget. That means the 10-percent tax, the child tax credit, the marriage penalty relief, the education incentives, all those things are extended in this budget for those earning less than $250,000 a year.

The net effect of that change alone is $601 billion tax relief. In addition, we provided relief from the alternative minimum tax for 3 years. That costs $216 billion. We have estate tax reform that takes the level of exemption to $3.5 million per person, $7 million per family. That means 99.8 percent of the people in this country will pay no estate tax. None. Zero. That costs $72 billion.

We have business tax provisions and extenders, those provisions that periodically have to be extended. They are incentives to the business community. That costs $69 billion. That is a total of $958 billion of tax reductions over 5 years. And then if you look at the offsets, the loophole closers, going after the offshore tax havens, the abusive tax shelters, that raises $133 billion for net tax reduction over 5 years of $825 billion, most of it for the middle class.

I see Senator THUNE here now. If he is ready to go, we would be ready for him to go. How much time does the Senator seek?

Mr. THUNE. Probably 15 minutes.

Mr. CONRAD. I yield 15 minutes of Senator GREGG's time to Senator THUNE.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

AMENDMENT NO. 731

Mr. THUNE. I thank the Senator from North Dakota for yielding. I call up an amendment I have filed at the desk and ask unanimous consent that it be made pending.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Dakota [Mr. THUNE] proposes an amendment numbered 731.

Mr. THUNE. 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 (No. 731) is as follows:

(Purpose: To amend the deficit-neutral reserve fund for climate changes legislation to require that such legislation does not increase electricity or gasoline prices)

On page 33, line 21, after "economy," insert "without increasing electricity or gasoline prices,".

Mr. THUNE. The Senate is in the process of an important fiscal debate which will set the Federal budget for the next 5 years. The budget process is particularly important as our Nation faces a prolonged recession and an ongoing financial crisis.

I think there are two primary questions facing the Congress at this time. One is, how do we help the middle class cope with the current recession. Secondly, how do we create jobs and investments that will lead us out of this recession?

The Democratically led Congress, I believe, missed a major opportunity to address the economic recession during the debate of the stimulus bill. Rather than providing significant tax relief for middle-class families and small businesses, Congress poured billions of taxpayer dollars into Government programs and pet projects.

The middle class was largely left behind in the stimulus bill. In return for an $800 billion stimulus bill, the average taxpayer gets a temporary tax break of roughly $8 per week, not even enough, in most places, to buy a cup of coffee each day.

Unfortunately, the administration's budget proposal is another missed opportunity to address the fundamental issues that are plaguing our economy. Not only does the administration's budget increase taxes on families and small business owners, it calls for a massive national sales tax on energy as well.

This sales tax, which is implemented in the name of global warming, will dramatically increase energy costs for all consumers. I wish to point out something that President Obama said with regard to that energy cap-and-trade plan. He said:

Under my plan of a cap-and-trade system, electricity rates would necessarily skyrocket.

This regressive national sales tax on energy will hit lower and middle-income households at a time when they can least afford it. Now, incidentally, the architect of the President's budget, Peter Orszag, who is the Director of the Office of Management and Budget, agrees that the President's energy tax will have a significant impact on energy prices, and lower income families will bear a greater burden on account of this tax.

Orszag testified before Congress that a cap-and-trade program would increase energy costs which will immediately be passed on to the consumer. During a House of Representatives Budget Committee hearing in 2007, Mr. Orszag stated:

Under a cap-and-trade program, firms would not ultimately bear most of the cost of the allowances, but instead would pass them along to their customers in the form of higher prices for products such as electricity and gasoline.

Orszag is also on record saying:

The higher prices caused by the cap would lower real wages and real returns on capital, which would be equivalent to raising marginal tax rates on those sources of income.

In September of 2008, Mr. Orszag testified before the House Committee on Ways and Means.

The rise in prices for energy and energy-intensive goods and services would impose a larger burden relative to income on low-income households than on high-income households.

Both Mr. Orszag and President Obama, they are not the only ones who believe higher energy prices on account of climate change legislation will have a greater negative impact on low-income families.

I quote from the Wall Street Journal on March 9 of this year:

Cap-and-trade, in other words, is a scheme to redistribute income and wealth, but in a very curious way. It takes from the working class and gives to the affluent; takes from Miami, Ohio, and gives to Miami, Florida; and takes from an industrial America that is already struggling and gives to rich Silicon Valley and Wall Street ''green-tech'' investors who know how to leverage the political class.

I would also quote from Warren Buffet.

That tax [the cap-and-trade tax] is probably going to be pretty regressive. If you put a cost on putting carbon into the atmosphere . . . it's going to be borne by customers. And it's a tax like anything else.

Now is not the right time to place another burden on families who are struggling to make ends meet during the current recession. Many two-income families are now reduced to one. One-income families are trying to make do with reduced wages or fewer hours. Mortgage payments have become a burden too great for millions of families. In light of the unprecedented challenges that are facing the middle class, I find it unconscionable that President Obama and the Democrats in Congress want to place an indirect tax on these families through increased energy costs.

In April of 2007, MIT conducted an economic study of the Sanders-Boxer climate change bill. Interestingly enough, at that time, 2007, then-Senator Obama was a cosponsor of that bill. The proposal he has put in front of us very closely resembles that proposal.

MIT concluded in their analysis of that particular piece of legislation that the Federal Government would take in an additional $366 billion in revenue each year, which is equivalent to over $3,128 per household. That is in the year 2015.

Having said that, if you think about $366 billion coming in in additional revenue to the Federal Government, that means someone in this country is paying that tax. As I mentioned earlier, many have concluded it is not going to be the utilities, those taxes are going to be passed on and borne by power consumers, electric, fuel consumers in this country.

If the MIT study is correct, that would be equivalent to over $3,100 per household. So I think it is important to note that President Obama's cap-and-trade tax is even more stringent than the Sanders-Boxer climate change bill, which I alluded to, which the MIT study makes reference to, which would only increase the national sales tax on energy prices.

In other words, President Obama's cap-and-trade proposal is even more stringent than the one that was analyzed by researchers at MIT who concluded, again, it would cost the average household in this country over $3,100 per year.

President Obama wants to take some of the proceeds from the carbon tax revenue and give it back to families through the Making Work Pay tax credit. The Making Work Pay tax credit totals about $400 per individual and about $800 per married couple. This credit barely covers a fourth of the household costs of the energy cap-and-trade tax of $3,100 per household.

The President's message to the middle class is: Don't worry about paying the additional $3,100 each year in higher energy costs because the Government is going to refund $800 of that total in the form of the making-work-pay tax credit. That comes out to about a quarter of what the tax is going to be, the energy tax that each family will be faced with, if this particular proposal were to become law.

Additionally, a significant number of individuals and married couples making less than $250,000 a year are not going to be eligible for the making-work-pay tax credit and are still going to be hit by the national sales tax on energy. The national energy sales tax is a direct contradiction to President Obama's campaign pledge not to increase taxes on those making less than $250,000 a year. The making-work-pay tax credit does not apply to a lot of people who make under that amount. The energy tax will apply to all of the people in this country to the tune of about $3,100 a year, according to the MIT analysis.

According to a recent Washington Times article, the Obama cap-and-trade proposal could be far more costly than the estimated figures in the Obama budget blueprint. According to this article, President Obama's climate plan could cost close to $2 trillion, which would inevitably be passed on to consumers in the form of higher electricity, gas, and heating oil, as well as higher prices for other goods and services affected by higher energy costs. That is a bad deal for hard-working, taxpaying Americans, and it is the wrong solution to our economic problems.

Like many Midwest States, South Dakota is heavily dependent upon coal power to meet our energy needs. One public power utility in South Dakota analyzed what little details are available on the President's national sales tax on energy and determined that their power costs would increase by $107 million per year by 2015. That represents a 65-percent increase in annual power costs. One of the largest municipal power customers would see their annual costs go up by $13 million for a rural community of just over 20,000 residents. That community is Watertown, SD. One of the largest industrial customers of a municipal power provider would see their electric bill increase by $2 million per year.

Like many other States, South Dakota is trying to deal with the economic recession and is looking for ways to create jobs and help businesses grow. The President's proposal to tax energy will result in a new annual tax of $2 million on just one business in my State. It will kill jobs and stifle economic growth, and it should not be included in the fiscal year 2010 budget resolution.

In the words of the CEO of this South Dakota-based power public power provider:

In plain English, [the President's climate change proposal] represents a perpetual tax increase on our electric consumers.

I want to show another power company in South Dakota, Black Hills Corporation, a diversified energy company serving customers in South Dakota, Colorado, Wyoming, Kansas, Nebraska, and Iowa. They have provided some generic examples of how a cap-and-trade proposal would impact the monthly electric bills of various types of customers. The first chart is at $50 per ton of carbon dioxide, a monthly residential bill increases from $94 to $154. That is your average residential bill. A small commercial customer would see their monthly bill increase from $4,500 to $7,500 per month. You probably can't see, because this is fairly small print, that increase, but if you look at what the estimate is, the current cost being $4,500 for a small commercial customer bill, under the proposed climate change tax, if enacted, that would go up to about $7,500 per month.

So we are looking at about a 67-percent increase per month. When you start multiplying that out, it becomes a staggering amount of money on an annual basis.

A school customer would see their electric bill—this is the same power company, same statistics that apply to this, about $50 per ton of carbon dioxide—if they had a typical bill today of $15,000, under this particular plan they could see that electric bill go from $15,000 a month to $30,000 a month. Again, you probably can't see the small print, but essentially what it is telling us is that a current $15,000-per-month cost for electricity for a typical school in South Dakota would virtually double on a monthly basis. If you annualized that, that is $180,000 a year additional cost for a school in South Dakota which, in most cases, is struggling to provide school supplies and pay teachers fair salaries.

Finally, take a look at a large industrial customer bill, the current monthly cost for power. With the energy tax that is under consideration in the President's proposal, that would go up to about $234,000 per month under the cap-and-trade proposal.

I guess my point is, when you start looking at the kinds of costs this imposes on industries—and I used these examples from my State and information that was furnished to us by utility companies there—if you take a large industrial customer who is going to see their energy costs increase by $110,000 each month and you annualize that, you are looking at an additional $1.4 million each year on account of this proposal.

The bottom line is, the amendment I have offered would amend the reserve fund included in a future climate cap-and-trade proposal. I know several of my colleagues, Republican colleagues, will be offering amendments to strike or lessen the impact of the President's national sales tax on energy as part of the budget process.

What my amendment does is ensure that any cap-and-trade proposal drafted under this deficit-neutral reserve fund would not increase gasoline prices or electricity rates for consumers. I believe this amendment is the very least we can do for consumers dealing with the economic downturn and businesses struggling to make it through a prolonged recession.

I encourage colleagues to support the amendment. I hope we will not include, in any budget resolution or reconciliation instructions coming back from the House or wherever that might occur, any language that would in any way implement the cap-and-trade proposal. This amendment ensures that doesn't happen in a way that would increase gasoline and electricity rates for customers.

I ask that when we get to the vote, my colleagues will support the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. CONRAD. I thank the Senator from South Dakota for his amendment and indicate clearly that this budget resolution does not prejudge in any way the climate change debate. It does not assume that there will be cap and trade or that there will not be. It leaves to the committees of jurisdiction the responsibility to come up with the best possible plan and to do it in a deficit-neutral way. That is the trigger. That is the condition. Whatever plan they devise must be deficit neutral and will have to go through the legislative process.

I yield 7 minutes from Senator GREGG's time to Senator JOHANNS.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 735

Mr. JOHANNS. Mr. President, I call up amendment No. 735 which is at the desk.

The PRESIDING OFFICER. Is there objection to laying aside the pending amendment?

Mr. CONRAD. We have no objection.

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

The clerk will report:

The bill clerk read as follows.

The Senator from Nebraska [Mr. JOHANNS] proposes an amendment numbered 735.

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

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

The amendment is as follows:

(Purpose: To prohibit the use of reconciliation in the Senate for climate change legislation involving a cap and trade system)

Section 202 is amended by inserting at the end the following: ''(c) The Chairman of the Senate Committee on the Budget shall not revise the allocations in this resolution if the legislation provided for in subsections (a) or (b) is reported from any committee pursuant to section 310 of the Congressional Budget Act of 1974.''

Mr. JOHANNS. I rise to offer an amendment to the budget resolution. The amendment is simple. It inserts language that would bar the use of budget reconciliation for climate legislation. Budget reconciliation essentially fast tracks legislation. It limits debate. It circumvents normal Senate procedure and requires only a simple majority for passage.

For weeks, the House leadership, the Senate leadership, and the administration have been pushing the Senate to use reconciliation to pass cap-and-trade legislation. They certainly have not taken it off the table. This is a mistake. Members on both sides of the aisle and on both sides of the Capitol agree with me.

The Senate resolution before us does not include reconciliation instructions. That is noteworthy. It is commendable. However, it is the conference report that concerns me. It should raise a red flag for all Senators.

Let me step back for a minute and review where we are. We now know that the House budget has included reconciliation instructions to the Committee on Energy and Commerce and two other committees. Why would the House include instructions at all? The House has a Rules Committee that sets rules for debate and amendments. Reconciliation instructions in the House budget are therefore meaningless except for one purpose: to open the door to cap-and-trade policy in the final budget resolution that emerges from the conference process.

Now that we have reached the heart of the matter, let me say again: The House language is there to dictate how the Senate conducts its business. The House language is a placeholder, a Trojan horse to limit debate, amendment, transparency, and a thoughtful consideration in the Senate on cap and trade.

We know that the leadership in the Senate is already planning how it will spend the cap-and-trade revenues. How do I know this? The Senate majority leader said last week that the collection of revenues from cap and trade would be useful for other governmental spending down to the very last penny.

Budget reconciliation is actually about lowering spending and controlling the debt. So let's take a closer look at the House language. After all, that language might set the rules for debate in the Senate, unless my amendment is adopted.

The House instructions call for a savings of $3 billion. The key, though, is this: The committees could raise hundreds of billions of dollars in new taxes and fees, including cap and trade, so long as new spending is $3 billion below the total revenues collected. Cap-and-trade legislation is expected to generate almost a trillion dollars in revenues—a lot of spending. I make this point to illustrate the significance of taxing and spending that could be passed under the guise of reconciliation.

Finally, I see that the House language even provides a placeholder in the text for Senate reconciliation instructions. Section 202 provides the following:

Senate reconciliation instructions to be supplied by the Senate.

I suggest we adopt my amendment and send a clear, bipartisan message opposing the use of reconciliation for cap and trade. Cap and trade is simply too large, too significant, and too important and costly to pass under the cloak of another bill.

The senior Senator from West Virginia, a man I admire immensely, said it eloquently:

Putting climate change legislation on a freight train through Congress is an outrage that must be resisted.

Quoting again:

It is an abdication of the constitutional role of the Senate.

I cannot say it better.

Before closing, I would like to discuss the economic impacts of this cap-and-trade freight train for a moment. The President's climate proposal could cost an American family an additional $3,000 per year or about $250 a month. Most families will see much of this extra expense show up in their electric bill, especially if the family is from a State where significant amounts of electricity are generated by coal.

That is right, everyone with a light switch will see the pain of this policy.

The rest of the additional costs could show up in all sorts of bills families struggle to pay. If a family uses natural gas to heat their home, cook or fuel their small business, the bill will go up. Higher natural gas prices drive fertilizer costs up. When these increases are coupled with higher gasoline and diesel fuel prices, the costs to our farmers in terms of production go up. That means the costs of dairy, beef, pork, and chicken producers are bound to increase. Some of those higher costs will be seen at the grocery store. Because steel and cement manufacturing would be affected, even the cost of heavy construction goes up, and that impacts our infrastructure.

Americans are on the hook for all of this, while China gains a competitive advantage.

I could go on and on, but I think I have said enough. Aren't these economic impacts significant enough to warrant an open discussion, a transparent debate? Not some parliamentary maneuver hatched in a late-night conference committee?

Well, I think they are. Our constituents deserve to understand the true impact of the decisions we debate on this floor.

To sum up, cap-and-trade legislation is complex and costly. Americans deserve, and the issue demands, a thoughtful, deliberate approach. I urge my colleagues to support this amendment.

I yield the floor and yield the remainder of my time.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank Senator JOHANNS for offering his amendment early on like this. I think this is the way we ought to function on a budget resolution. Let's get these amendments up and debate them and have a chance for people to get votes early in the process.

Mr. President, on our list, Senator BOND was to be next.

Mr. BOND. I am ready.

Mr. CONRAD. I ask the Senator, how much time does he need?

Mr. BOND. About 6 minutes, I would think.

Mr. GREGG. Mr. President, I yield the Senator 6 minutes.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I appreciate the managers giving me time.

We are all concerned about our struggling families and workers during this time of economic pain. We know too many families are struggling to make ends meet, unable to pay their mortgages, bills or debts. They are struggling, out of a job or failing to find work that can support a family.

We should not impose an energy tax on our families and workers, as President Obama proposes through his budget cap-and-trade plan that will cause pain for our families and workers for years and decades to come.

While the President and his supporters say this is a cap-and-trade scheme to cut carbon, it will result in higher costs for makers and users of energy. Those higher energy prices will be passed straight to the consumer, who will feel like they are paying a new energy tax, and that is what it will be. Under the Obama energy tax, Americans would pay more for every time we turn on a light, put gas in our cars or heat our homes.

They also did not include the President's energy tax in their budget, the Democrats will claim. But the leadership keeps reminding us they are prepared to impose an energy tax through the budget reconciliation process. Therefore, it is important we confront what this will mean for our families and workers who would have to pay more for everything from power bills to grocery bills if their budget energy tax plan succeeds.

Higher energy prices will mean many must make a decision between heat or eat. I have in the Chamber this photo of a young girl in a newspaper ad for a low-income housing assistance program. Her family cannot afford the heating bills, thus, the caption: ''I have two coats. One for outside and one for inside.''

For too many families such as this girl's, higher heating bills from President Obama's energy tax will force them to decide between paying heating bills or food bills—heat or eat.

Seniors will face a tough choice too. They already pay too much for prescription drug medicines. Tragically, we know many seniors die during heat waves because they lack air-conditioning.

Higher electricity bills will force seniors on fixed incomes to choose between buying their lifesaving prescription drugs or paying for their lifesaving air-conditioning.

This is a direct impact on senior citizens throughout the Nation.

Many workers will not have a choice when they are told they are losing their family-supporting job. President Obama's energy tax will hit blue-collar workers particularly hard. Many of them depend upon energy-intensive manufacturing to support their middle class way of life. This will be a particularly heavy burden on the Midwest and the South.

Higher energy costs will kill jobs in energy-intensive manufacturing—steel, aluminum, cement, chemicals, plastics, fertilizers, and the pharmaceutical industry.

Green jobs are held out as a solution for some. But far too many will see their future go from blue collars to burgers under the Obama energy tax.

All of us will face more pain at the pump. Higher energy costs imposed on our oil refiners will translate straight to higher gasoline and diesel prices. Families who depend on affordable gas will suffer, truckers who depend on affordable diesel will suffer, farmers who depend on affordable fuel will suffer, and workers who depend on affordable commutes will suffer from an energy tax.

How bad will things be? The President was only willing to admit to the $646 billion he put in his budget. But administration officials in meetings with staff are admitting costs ''two to three'' times that amount or $1.3 trillion to $1.9 trillion to be paid by average citizens.

We have to remember this is only an 8-year total. The President wants his program to run through at least 2050, so the total new energy taxes imposed on families and workers will be much higher and continue.

Sponsors of the cap-and-trade bill we debated and defeated in the Senate last year said it would impose $6.7 trillion in higher energy costs over its lifetime. Mr. President, $6.7 trillion was an outrageous amount of money to impose on families and workers, and the Senate rightfully defeated the proposal. However, we can expect President Obama's energy tax will be even more expensive than $6.7 trillion because of his planned stricter requirements and use of price maximizing auctions.

The $6.7 trillion Lieberman-Warner bill the Senate defeated proposed to cut energy emissions by 70 percent. The President proposes an 80-percent cut.

The $6.7 trillion Lieberman-Warner bill, defeated here, required participation with a mix of no-cost approaches and auctions. On the other hand, the President is proposing a 100 percent use of auctions to set program prices.

What is an action about, after all, but a method to maximize prices? Thus, President Obama's budget energy tax will maximize higher energy prices from climate legislation. That means President Obama will force families and workers to pay even more than $6.7 trillion in higher energy bills.

President Obama's budget energy tax will drive gasoline prices even higher than the $1.40 per gallon EPA predicted for the bill we defeated, the Warner-Lieberman proposal at the $6.7 trillion number.

President Obama's budget energy tax will force electricity bills even higher than the 44-percent increase EPA predicted for the Lieberman-Warner proposal.

President Obama's budget energy tax will cost the average household even more than the $4,377 per year predicted for the Lieberman-Warner bill.

President Obama's budget will cut even more than the 3 million jobs the American Council for Capital Formation predicted for the defeated Lieberman-Warner proposal.

While I think no time is a good time to debate imposing at least $6.7 trillion in new energy taxes, we certainly should not do so now.

That is why I am filing three amendments. My first amendment will require that any climate legislation passed by the Senate does not cause significant job losses, especially in the Midwest, Great Plains, and the South. My second amendment will ensure that any climate legislation does not increase residential electricity, natural gas or fuel oil bills for homeowners. The last amendment would protect farmers from higher fertilizer and fuel prices.

Senator THUNE has filed an amendment to prevent climate legislation from raising electricity or gasoline prices. I strongly support this amendment.

I hope we can protect our families, farmers, and workers by refusing higher energy taxes, and I ask my colleagues for their support.

I thank the Chair and I thank my colleagues.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank Senator BOND for the time he has given to the budget discussion tonight.

I ask Senator SESSIONS, how much time would he like?

Mr. SESSIONS. Mr. President, I would ask to be notified at 7 minutes.

Mr. CONRAD. All right.

Mr. President, I yield from Senator GREGG's time 7 minutes to the Senator, who is a member of the Budget Committee, and a very active and valued member of the committee, Senator SESSIONS.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank the chairman of the Budget Committee. I say to the Senator, it is a pleasure to work with you. You do a great job in an exceedingly difficult situation.

But the net result so far is a budget that is thunderously irresponsible, and we cannot and should not pass it. We must not pass this budget. I think it would send a signal that we are not serious about our financial future, that the world may think, as the President of the European Union said in Europe recently, from the Czech Republic, that the United States fiscal policy is on the road to hell. That was his direct quote in the newspaper.

So this is a serious matter.

A President's budget states what the President believes in, and what he wants to see accomplished over a period of time. A 10-year budget—which he submitted—is good. Sometimes we do 5 years. It could be 5 years. Senator CONRAD and the Democratic members of the Budget Committee, unhappy with the numbers of the 10-year budget, submitted a 5-year budget, and just did not talk about the second 5 years. But there is a grim second 5 years also.

So this budget is a plan, a direction, a list of priorities of the President. What we can see with absolute certainty is that financial responsibility is not a priority for the President. It is not. In fact, the title of his budget is "A New Era of Responsibility"—and the numbers I am going to be talking about are either numbers that come right out of his budget called "A New Era of Responsibility," from the Office of Management and Budget, and it has explicit numbers about what it intends to spend, how much debt will be created and how much taxes will be imposed and how it all will play out over a 10-year period.

So the Senate Budget Committee's budget suggests it is better or at least it does not spend as much money. But I do not think that is sustainable. I think the real analysis came from the Director of the Office of Management and Budget, Mr. Peter Orszag, the President's budget manager, who said it is 98 percent of what President Obama asked for.

Because there are some gimmicks in the Senate budget. And there are flaws in it that make it look better, such as not fully accounting for the cost of fixing the alternative minimum tax or the doctor fix or TARP II or some of the other things we know we are going to be spending money on.

Let me just sum up the situation with regard to the CBO analysis, the Congressional Budget Office analysis. Our Congressional Budget Office analyzes the President's budget and attempts to explain what it is. They calculate numbers just like the President did. But very truly their analysis is more realistic and more likely to be true than the President's because he took some gimmicks too—not as many, I have to admit, as some have taken, but he has quite a number of gimmicks in it. Without the gimmicks, our Congressional Budget Office gives us a reliable analysis. They work both Houses of Congress, their leadership is selected by the Democrats, and it is certainly not a Republican institution. They are proud of their nonpartisanship and their accuracy and their figures.

So this is what would happen to the debt held by the public if this budget passes and becomes reality. In 2008, debt held by the public was $5.8 trillion. That represents the entire debt of the United States of America since its founding. Under the proposed budget of President Obama, by 2013 that debt will double to $11.8 trillion. In 5 years, it will do that. In 2019, 5 more years later, it triples to $17.3 trillion. I do not believe those numbers are challengeable in any significant way.

If you take the President's budget, you make sure that the figures, calculated with legitimate expectations of the future as CBO has done—this is what they come up with. The President's proposal assumes more favorable numbers—instead of $17.3 trillion, $15-plus trillion, which is almost virtually three times the $5.8 trillion we have today. He admits that is what his budget does, with his own numbers. So that is a big question.

Here is an example of where we are with the debt. My colleagues savaged President Bush for excessive spending, and the debt held by the public did go up during his time in office, to over $5 trillion, but this is not an exaggeration, colleagues. This is what the numbers show. It is going to go up to $17 trillion.

So my first point to my colleagues and to those who might be listening is these numbers are not political numbers ginned up out of thin air; these are numbers that have been calculated from the President's own budget, entitled "A New Era of Responsibility," according to the Congressional Budget Office, and that is when they score the situation to be 10 years from now.

So you say: Well, we are in an economic disaster area. We have very bad problems in the economy.

Well, maybe we do, but the President, in his expectation of income to the Government, other than this year being a year of negative growth, assumes we will have positive growth in the future.

Mr. President, I ask unanimous consent for 3 additional minutes.

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

Mr. SESSIONS. So according to his budget, in year 3, we will have 4 percent growth for 3 consecutive years and never have a recession and have good growth all 10 years, except for this year, where we will have 1.2 percent negative growth. Well, I think that is probably too optimistic. If it is too optimistic, then this figure is going to be worse. It could be far worse.

So what does that mean? Does the debt make a difference?

This is today's Wall Street Journal, an article by Mr. Mark Whitehouse in which he states that countries with mounting debt burdens will:

> Ultimately face a growing temptation to allow inflation to accelerate more than they typically would—a move that would slash the value of their debts as the prices of everything else rose.

He points out that poor demand at a U.S. Government bond auction and the failure of a separate auction in the UK added to unease about the market's willingness to support the country's heavy borrowing. So we have now not only our country going in debt, we have the UK going into debt, causing the European Union folks to get very nervous.

So who is going to buy this debt? When we go into debt, it doesn't just happen; somebody has to loan us the money. Right now, we sell Treasury bills. China has bought a whole lot of them, as well as Saudi Arabia and other countries. We are talking about selling twice as many in 5 years, three times as many in 10, and at the same time other countries are going into debt. Who is going to buy this, and what does it mean to the economy?

Mr. Whitehouse quotes Mr. Kenneth Rogoff, an economics professor at Harvard and a former chief economist of the International Monetary Fund. This is what he said in today's paper. Mr. Rogoff says annual inflation could go as high as 8 to 10 percent within 3 to 5 years in the United States and sooner in the UK. He projects eight to ten percent inflation in 3 to 5 years, based on what we are doing today. He notes that the average inflation rate in 1 month in this country has gone up 25 percent, the projected rate of inflation.

Debt matters. There are no free lunches. Nothing comes from nothing. Debts have to be repaid—not only repaid; we have to pay interest on it, and the interest on this debt will go, according to the Congressional Budget Office, from $170 billion this year—that is what we pay out of our whole $3 trillion budget—$170 billion is the interest on the public debt—this $5 trillion. CBO is projecting that 10 years from now, we will pay in interest $800 billion—$806 billion, to be exact. We spend $100 billion on education, so we will have interest payments in just 10 years 8 times as large as the amount of money we spend on education. Our highway spending, $40 billion a year today—it will go up some, but we will be spending 20 times as much in interest. So future generations in America will be paying an incredible burden of interest, denying them money to spend on education and highways and other good things because we irresponsibly spent it now.

It is not right. It is wrong. It should not occur. We really need to have a national discussion about this and try to fix this problem.

I thank the Chair and yield the floor.

Mr. GREGG. Mr. President, I wish to congratulate the Senator from Alabama, who has always succinctly and effectively described what we are confronting here, which is a wall of debt, a massive wall of debt, which will overwhelm our children. So I thank him for his statement.

At this point, I think the chairman had some comments on proceeding.

Mr. CONRAD. Mr. President, I ask unanimous consent that on Tuesday, March 31, when the Senate resumes consideration of the budget resolution, the statutory time remaining be 40 hours, each side controlling 20 hours.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I further ask unanimous consent that we come in at 10 a.m. and go to the budget resolution, with Senator PATTY MURRAY being recognized for 15 minutes; at the conclusion of her remarks, that Senator GREGG or his designee be recognized for the purpose of offering an amendment with 1 hour equally divided; that at the conclusion of that debate, Senator BOXER be recognized to offer an amendment in relationship to the Thune amendment and that there be 1 hour equally divided; also, at the end of that period, that I be recognized, or my designee, for a possible side-by-side to the Johanns amendment. We may not need that, but we may, and so I ask unanimous consent that that time be reserved as well.

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

Mr. CONRAD. With that, we are ready to stand in recess for the day. I think we are ready to go to closing.

MORNING BUSINESS

Mr. CONRAD. Mr. President, I ask unanimous consent that the Senate proceed to 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.

NORTH DAKOTA FLOODING

Mr. CONRAD. Mr. President, I rise on a matter of personal privilege to talk about what is going on in my State. I was just there this past Friday morning and through the weekend. As the country knows, we are facing record floods across the entire State of North Dakota. These are crests we have never seen before on river after river in North Dakota. The great Missouri was bogged down with ice dams and nearly flooded the capital city last week, but that was prevented by a demolition team that came in and set charges and blew a channel in the ice.

I was in Fargo, ND, on Friday and Saturday and Sunday—which everyone has been watching—and it is truly inspirational to see what is happening there. It is a town of 90,000, and the mayor told us yesterday that of those 90,000 people, they have 80,000 volunteers because everybody knows that everything is on the line. You go into the FARGODOME, which is a giant sports facility where NDSU plays its games, and they have thousands of volunteers, with rock music blaring. They made 3 million sandbags in 7 days. Think about that—3 million sandbags in 7 days, working 24 hours a day, around the clock. They are fully staffed around the clock, and they are doing everything that is humanly possible to save that city.

This was the headline yesterday in the Fargo Forum: ''Holding Steady.'' It shows a picture of National Guardsmen and the Coast Guard rescuing people, and you can see these massive ice chunks and the flood.

Today, we got the news that we can now anticipate another major winter storm beginning tonight, with 6, 7, or 8 inches of snow. Of greater concern, however, are the higher winds because we have miles and miles of dike—at least 38 miles of main dike. These dikes, of course, for the most part are clay dikes, and in many places those are topped over with sandbags to raise the level. Because the weather service raised the forecast level right at the end on us, we had to build the dikes up even further.

While the good news is that the river is dropping slightly—from just under 41 feet to now just over 39 feet—we know there is a wall of water headed for that river.

There is a most incredible snow wall—three times normal—out in the watershed, and all that water is headed for this river. So while we are cautiously optimistic, we all know the dikes can breach. That happened the night before last in the early hours, and we lost an entire high school campus in the middle of the night. The good thing is the contingency dikes that have been built right behind the main dikes held—and I can tell you it is an impressive site.

Remember, this river is 22 feet above flood stage. So these massive dikes that have been built all along the river, and then these contingency dikes behind them, are in preparation for a breach.

I attended early morning meetings with the city leadership. They have this organized. They have rapid strike teams, rapid response teams, they have 24-hour patrols trying to make certain the dikes don't breach, that they are not seeping. If they get a report, the report goes in, and they have four different types of rapid response teams ready to go to fill the breach. If there were ever a case of an extraordinary outpouring, this is it.

This is a picture of what I was talking about in the FARGODOME. Look at this. This is thousands and thousands of people with sand, filling bags. This is what you see throughout that facility. This is just a small part of it. It is an absolute beehive of human activity working to defend that town and to save their homes.

So far we have been remarkably successful. There has been tragedy—2 deaths, 50 injuries as of yesterday. But this has so far averted a much bigger crisis.

This is a picture of a home out in the county. You can see they have diking around that home, and you can see there is not much freeboard there. We are hoping it holds.

This is another picture that shows response of our National Guard. This is one of the rapid response teams that moved to fill a place where the levee needed to be built up. There was some seepage. So this is one of the rapid response teams that has moved in to try to prevent that dike from breaching. These guys have been absolutely heroic.

One of the things that has been interesting, there is a great rivalry between the University of North Dakota and North Dakota State. North Dakota State is in Fargo; UND is in Grand Forks. In 1997, the great flood hit Grand Forks. So this year all the sports teams from UND are down at NDSU with their rivals working together to defend these dikes.

This is a picture from yesterday. That is a 1-ton sandbag being lifted by a helicopter. They are going to put it in place to try to divert the flow of the river. The river has tremendous force behind it. Of course that force is hitting the dikes. In order to divert at a vulnerable position, yesterday they dropped about a dozen of these 1-ton sandbags to change the direction of the river.

This is a picture of what you can see all throughout Fargo, ND. They have Neighborhood Watch groups to patrol to make sure there is no seepage. If there is a place that needs to be built up, they put out a call and people turn up just like this. You can see hundreds of people here working to sandbag to try to defend their homes and defend their neighborhoods.

The thing that has kind of escaped the attention of the national media but which is so striking is, this flood threat is all across North Dakota, from the far western part of the State all across to eastern North Dakota and the Red River Valley. The Red River Valley gets most of the attention, but we landed in Valley City on Friday and in Valley City—no, this was on Saturday—the snow around the airport was 10 feet high. That is the Cheyenne River Valley. The Cheyenne River Valley will crest later than the Red. But they are anticipating record crest levels.

Again, we went to a place where they have the Winter Show, in Valley City, ND. It is a big structure. There are hundreds of volunteers there working around the clock. This is from my hometown, the Bismarck Tribune, Bismarck, ND, with the headline, simply ''Battered,'' ''Area Hit Hard by a 1–2 Punch.'' That was flooding and a blizzard; 12 to 18 inches of snow hit my hometown last week.

Last night we got another major winter storm. I am told more than 10 inches of snow hit last night. We were faced with an immediate threat of flooding.

Here you can see two guys wading. This is ice. They have broken through the ice in their hip waders, and this is all water. They are going to check on the home of a couple to make sure they are safe.

This is the kind of flooding that was in my hometown. Here is a canoe, people going from one house to another in a canoe.

It is hard to fully appreciate the magnitude of this. We have had massive snowfall in places in the State, three times average, of course leading to these record floods. We have never seen the Red River at this height before in recorded history. Never before in recorded history has it been this high.

I want to say to people who are watching, it is inspirational to see these communities come together, to work together in an all-out effort to save their homes, to save their communities. I could not be more proud of the people of North Dakota. Boy, faced with threat, they have absolutely demonstrated what I think are heroic qualities.

I was pleased the President acknowledged this in his weekend address and talked about what this demonstrates about the human spirit. Honestly, you have to be there to fully appreciate what I am talking about.

We are thinking about our friends and neighbors and families back home, wishing them the very best as this flood fight continues. The great news is the river is going down, at least the Red is going down. But we have to contend with this major winter storm that is going to hit tonight, and we also have to contend with something nobody can predict—how fast things will warm up. If it warms up too fast that water out there is going to head for the river. We know we ought to keep up our guard, and that is what everybody intends to do.

I also want to acknowledge the local leadership: Mayor Walaker, Deputy Mayor Tim Mahoney—what outstanding leadership they are providing in that community. These guys are not working any 8-hour days. It is round the clock and it could not be better. They are out there urging their citizenry on. They have said: If we go down, we are going to go down swinging.

I tell you, I don't think they are going to go down. I think they are going to win.

HONORING OUR ARMED FORCES

CORPORAL MICHAEL OUELLETTE

Mr. GREGG. I rise this morning on behalf of Kathy and myself to express our deepest sympathies to the family of CPL Michael Ouellette. Corporal Ouellette died in Afghanistan last week, and his funeral is today. I have spoken with his mother, and, of course, he was an exceptional individual. These young men who serve us in the military are all exceptional. He served two tours of duty in Iraq, was decorated, and then went to Afghanistan to serve again.

On behalf of the people of New Hampshire and our Nation, I thank his parents for having raised such an extraordinary child. We appreciate and thank them for the service he has given this Nation, and we obviously express our deepest concern during this extremely difficult period.

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

Mr. CONRAD. Mr. President, I wish to say on behalf of the people I represent that we, too, send our condolences to the family of the soldier who was lost. My State has suffered many losses in Iraq and Afghanistan, and we understand the extraordinary sacrifice these families make. We wish to say to the people of New Hampshire, and especially the family of the soldier, that our thoughts and prayers are with them as well.

AMENDMENTS TO REGULATIONS ADOPTED BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. SCHUMER. Mr. President, I wish to inform all Senators that on Friday, March 27, 2009, the Committee on Rules and Administration adopted amendments to the following regulations:

Regulations Governing Allocation and Acquisition of Equipment for Senators, Committees, Officers, and Employees of the United States Senate;

Smoking Policy—Rule X, Rules for Regulation of Senate Wing;

Ticket Preparation Fees—Senate Travel Regulations;

Regulations Governing Rates Payable to Commercial Reporting Firms for Preparation of Transcripts of Hearings in the Senate;

Signature/Documentation Provisions—Regulations Governing Senators' Official Personnel and Office Expense Accounts; and

Advance Payment Regulations.

These regulations as amended are effective immediately.

Mr. President, I ask unanimous consent that a document summarizing these updates and the text of the regulations as amended be printed in the RECORD.

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

SUMMARIES OF PROPOSED AMENDED REGULATIONS

(1) Regulations Governing Allocation and Acquisition of Equipment for Senators, Committees, Officers, and Employees of the United States Senate

The updated regulations change the manner by which offices are provided computer and office equipment. Offices will be given a single economic allocation to purchase supported computer and office equipment. This will ensure that offices are better equipped in a manner that is ''revenue neutral'' to the Senate. The regulations ensure that each employee or detailee gets one workstation and access to appropriate office equipment.

(2) Smoking Policy—Rule X, Rules for Regulation of Senate Wing

The limited exception of approved indoor smoking space in the Senate Wing of the Capitol and the Senate Office Buildings has been removed due to the closing of all indoor smoking rooms under the control of the Rules Committee. The proposed text of Rule X deletes the exception for smoking rooms in the Senate that no longer exist.

(3) Ticket Preparation Fees—Senate Travel Regulations

The proposed amendment removes the dollar amount from the Senate Travel Regulations and authorizes the Rules Committee to set a rate for ticket preparation fees. This will permit the periodic adjustment of the fee by the Rules Committee without necessitating a change in the regulations.

(4) Regulations Governing Rates Payable to Commercial Reporting Firms for Preparation of Transcripts of Hearings in the Senate

These regulations were last updated in 1990 and include reimbursement to transcription companies that are well below market rate. The proposed amended regulations authorize the Rules Committee to publish and periodically update a schedule of reimbursement rates for transcription services.

(5) Signature/Documentation Provisions—Regulations Governing Senators' Official Personnel and Office Expense Accounts

The provisions for authorized signature(s) were originally adopted in 1979 and amended in 1992 to permit a designated staff member to certify vouchers and the Senator to approve them. An amendment in 2003 increased the threshold of the receipt amount to $50. However, the 2003 amendment used the 1979 version of the regulations instead of the 1992 updated version. The proposed change will update the signature/documentation provisions to include the 1979, 1992, and 2003 amendments, in accordance with the current practices used throughout the Senate. If approved, this regulation will be reprinted in the Senate Travel Regulations for the sake of convenience.

(6) Advance Payment Regulations

Language is being added at the request of Senate office managers to clarify the obligation of funds at the end of a fiscal year. There has been confusion over the years regarding which funding period should be used for certain types of expenses. The new language provides the necessary explanation and is in accordance with the practices used throughout the Senate. The regulation will also be amended to permit Senate Officers to make advance payments.

APPENDIX II–A: REGULATIONS GOVERNING ALLOCATION AND ACQUISITION OF EQUIPMENT FOR SENATORS, COMMITTEES, OFFICERS, AND EMPLOYEES OF THE UNITED STATES SENATE

SEC. 1. GENERAL PROVISIONS

(This section shall be effective March 27, 2009.)

The Economic Allocation Fund shall be established and maintained by the Senate Sergeant at Arms with the approval of the Committee on Rules and Administration.

The Sergeant at Arms of the Senate is authorized and directed to furnish to Senators, committees, and officials of the Senate equipment in quantities not to exceed the allowance in their economic allocation fund.

Equipment shall be furnished upon written request of the Senator, Chairman of a committee, or Senate official. Equipment accountability and inventory control will be governed by the Regulations on Equipment Accountability issued by the Committee on Rules and Administration. Equipment provided will be charged, in the case of a Senator, to either his/her economic allocation fund or those funds within the official office expense accounts for other official expenses (10 percent discretionary funds). In the case of a committee or official, charges will be made to economic allocation funds of the committee or official.

The Sergeant at Arms is authorized to evaluate and test equipment which he deems to be best suited to the needs of the Senate and shall notify the Rules Committee of any changes in the authorized office equipment list. To the extent possible, the Sergeant at Arms shall standardize or limit variety of office equipment to provide for greater utilization and interchange between offices, and ease of maintenance of equipment. Specialized equipment not included in these regulations shall be furnished only upon the recommendation of the Sergeant at Arms and with the prior approval of the Committee on Rules and Administration.

Acquisition of equipment is to be conducted according to the Procurement Regulations of the United States Senate. The Sergeant at Arms shall have the authority to either purchase or lease equipment in the best interests of economical procurement.

Equipment presently assigned to offices which is deemed in excess of their needs shall revert to the control of the Sergeant at Arms for reassignment.

The Committee chairman shall ensure that each full-time employee and full-time, authorized detailee on the committee is provided with a workstation and have appropriate access to related office equipment.

SEC. 2. GENERAL OFFICE EQUIPMENT

(This section shall be effective March 27, 2009.)

(a) All general office equipment used in Senate offices shall be issued and maintained by the Sergeant at Arms of the Senate. The Sergeant at Arms shall maintain a schedule in which available equipment is identified according to the classes set forth below:

TABLE 11–1: CLASS OF EQUIPMENT AND MINIMUM LIFE

Class	Description	Minimum Life
I	Letter Folder	10 Years
	Letter Inserter.	
	Letter Sealer.	
	Paper Cutter w/stand.	
	Signature Signing Machine.	
II	Typewriters—Electric	10 Years
III	Calculators—Desk or Hand-held Copy Holders.	6 Years
	Noise Suppressors.	
	Pencil Sharpeners (Electric).	
	Recorders and Transcribers—Desk.	
	Combination or Portable.	
	Staplers (Electric).	
	Tape Recorders.	
	Time Recorders.	

Allocations

Sec. 2. (b) The Sergeant at Arms is authorized to issue general office equipment upon receipt of requests from Senators, committee chairmen, and heads of Senate offices, up to the limits set forth by the availability of their economic allocation funds.

Sec. 2. (c)(1) The Sergeant at Arms may sell to a Senator who is leaving office or otherwise ceasing to be a Senator (except by expulsion) any item of office equipment located in such Senator's Washington, DC or state offices, subject to the restrictions set forth in paragraph (2).

Sec. 2. (c)(2) Paragraph (1) of this subsection shall apply to equipment which has reached its expected useful life and has been declared surplus to the needs of the Senate. Such sales may be made only when such Senator submits a written request to the Sergeant at Arms, at least thirty days prior to leaving office, setting forth the item or items he or she desires to purchase. Whenever compliance with a provision of this paragraph would create an undue hardship or would not be in the public interest, such provision may be waived by the Sergeant at Arms.

SEC. 3. PHOTOCOPIERS AND DUPLICATING EQUIPMENT

(This section shall be effective March 27, 2009)

Section 3(a) amended January 12, 1983, to increase collating capacity on Class IIB copiers from 15 to 20 bins. Sections 3(c)(2)(B) and (C) deleted March 18, 1983, to eliminate plate making charges for printed work and the per copy costs for photocopy work in the central reproduction facility. Section 3(c)(2) amended September 26, 1984, to be effective October 1, 1984, to provide a graduated ''extra copy'' charge for Senators'' offices based on population.)

Sec. 3. (a) All copying equipment used in Senate offices shall be issued and maintained by the Sergeant at Arms of the Senate. All copier locations must meet manufacturers' space and electrical requirements. The Sergeant at Arms shall maintain a schedule in which available copy machines are classified according to the classes set forth below:,

TABLE 11–2: CLASSES OF COPY MACHINES AND DESCRIPTIONS

Class	Class description	Copier description
I	Low volume convenience w/document feeders.	Personal convenience copiers are table top machines with low operating speeds.
II	Office convenience	Office convenience copiers are floor model or table top.
III	Committee convenience	Committee convenience copiers are higher volume machines and have faster operating speeds than Class II copiers and have finishing capabilities.

Allocations

Sec. 3. (b) The Sergeant at Arms is authorized to issue copy equipment upon receipt of requests from Senators, committee chairmen, and heads of Senate offices, up to the limits set forth by the availability of their economic allocation funds.

Washington offices

(1) The recommended levels for copy machines in Senators' offices in Washington, DC are:

(A) For those Senators whose state population is 7 million or more (based on the most recent census figures), one Class IIA and two Class I, or one Class IIB and one Class I copier in the principal suite assigned to the Senator, or;

for those Senators whose state population is less than 7 million (based on 1980 census figures, revised to 1987), one Class IIA and one Class I, or one Class IIB copier in the principal suite assigned to the Senator.

(B) One class I copier in one additional location assigned to the Senator provided:

(i) the location is in another building, or is in the same building but not adjacent to another location containing a copier assigned to the Senator; and

(ii) the location is not in an annex building.

State offices

(2) The recommended levels for copy machines in Senators' offices in their home states are one class II copier in each of two principal state offices and one class I copier in each of five other state offices, except that a class II copier may be provided in lieu of a class I copier to a third office located in a state with a population greater than 21 million.

Committee offices

(3) The recommended levels for copy machines in committee offices are:

(A) One class II or class III copier in the principal suite assigned to the committee, as determined by the Sergeant at Arms based on a requirements analysis. The requirements analysis shall consider (but shall not be limited to) the nature of the work of the office, the size of the office, and the proximity of alternate copy facilities.

(B) One class I or class IIA copier in each additional location assigned to the committee provided:

(i) the location is in another building, or is in the same building but not adjacent to another location containing a copier assigned to the committee; and

(ii) the location is not in an annex building.

Leadership offices, policy committees, and administrative offices

(4) The recommended levels for copy machines in leadership offices, policy committees, and administrative offices are one or more class I, II, or III copiers, as determined by the Sergeant at Arms based on a requirements analysis. The requirements analysis shall consider (but shall not be limited to) the nature of the work of the office, the size of the office, and the proximity of alternate copy facilities.

Cost distribution

Sec. 3. (c)(1) The Sergeant at Arms shall pay the monthly maintenance fee for owned equipment and the rental for rented equipment. Offices shall pay for the supplies (paper, toner, developer, etc.) used with assigned copiers.

(2) Offices shall reimburse the Sergeant at Arms for extra copy costs on convenience copiers, whether owned by the Senate or rented, at the rate of 2 cents per copy for copies in excess of the amounts set forth in the following table, except that Senators will not be charged a copy cost on Senate owned Class IIA machines that were installed in such Senators' Washington offices on May 1, 1981:

TABLE 11–3: FREE COPIES PER MONTH (IN THOUSANDS)

[Senators representing States in the following population ranges (in millions)]

Class	Under 4	4 to 7	7 to 12	12 to 21	Over 21	Other offices
I	2	2	3	4	5	2
II	11	12	14	15	16	11
III	n/a	n/a	n/a	n/a	n/a	20

Copy Centers

Sec. 3. (d) The Sergeant at Arms is authorized to establish, maintain, and operate copy centers when demand for the establishment of a center is justifiable on a cost basis.

The Sergeant at Arms is authorized, if he deems appropriate, to install devices on copy machines in copy centers and in the central reproduction center which automatically record the number of copies made for each user at the time copies are prepared, and the activation of which are necessary for the operation of copy machines.

SECTION 4. MICROGRAPHIC EQUIPMENT

(Effective March 27, 2009)

Sec. 4. (a) All micrographic equipment used in Senate offices shall be issued and maintained by the Sergeant at Arms of the Senate. All micrographic equipment locations must meet manufacturers' space and electrical requirements.

Classes of Equipment

Sec. 4. (b) Micrographic equipment is classified in three groups:

(1) Cartridge/Cassette Roll Film Viewers/Printers

(2) Microfiche Viewers/Printers

(3) Microfiche Viewers

The Sergeant at Arms shall maintain a schedule in which micrographic equipment that meets the performance requirements of the Senate is classified according to the classes set forth above and from which users may make specific selections.

Allocations

Sec. 4. (c) The Sergeant at Arms is authorized to issue micrographic equipment upon receipt of requests from Senators, committee chairmen, and heads of Senate offices, up to the limits set forth by the availability of their economic allocation funds.

Replacement

Sec. 4. (d) Microfilm equipment anticipated expectancies are:

TABLE II–4: MICROFILM EQUIPMENT LIFE EXPECTANCY

Class	Years
Cartridge/Cassette Viewers/Printers	8
Microfiche Viewers/Printers	8
Microfiche Viewers	10

SEC. 5. ALLOCATION OF TELECOPIER AND FACSIMILE EQUIPMENT TO SENATE OFFICES

(Effective March 27, 2009)

Sec. 5 (a) All facsimile equipment within the funding levels contained in these regulations used in Senate offices shall be issued and maintained by the Sergeant at Arms of the Senate. All equipment locations must meet manufacturers' space and electrical requirements. The Sergeant at Arms shall maintain a list of machines of equivalent capacity that meet Senate cost and performance standards from which users may select a specific machine.

Sec 5(b) The Sergeant at Arms is authorized to issue equipment upon receipt of requests from Senators, committee chairmen, and heads of Senate offices, up to the limits set forth by the availability of their economic allocation funds.

RULES FOR REGULATION OF SENATE WING

RULE X

SMOKING POLICY

(Adopted March 27, 2009)

Smoking is prohibited in all public places and unassigned space within the Senate Wing of the Capitol and the Senate Office Buildings. Senators and Chairmen of Committees in consultation with the Ranking Member may each establish smoking policies for office space assigned to them in the Senate Wing of the Capitol and the Senate Office Buildings.

U.S. SENATE TRAVEL REGULATIONS

SECTION II—TRANSPORTATION EXPENSES, SUBSECTION I–D, TICKET PREPARATION FEES (HANDBOOK, APPENDIX IV–D, PAGE IV–65)

D. Ticket Preparation Fees: Each Chairman, Senator, or Officer of the Senate may, at his/her discretion, authorize in extenuating circumstances the reimbursement of penalty fees associated with the cancellation of through fares, special fares, commutation fares, excursion, reduced-rate round trip fares and fees for travel arrangements, provided that reimbursement of such fees does not exceed the rates prescribed by the Committee on Rules and Administration.

REGULATIONS GOVERNING RATES PAYABLE TO COMMERCIAL REPORTING FIRMS FOR PREPARATION OF TRANSCRIPTS OF HEARINGS IN THE SENATE

Adopted—January 23, 1990

Amended and Adopted—March 27, 2009.

Pursuant to the authority vested in it by the act of June 27, 1956 (70 Stat. 360; 2 U.S.C. 68c), the Committee on Rules and Administration approves the following revised regulations, effective March XX, 2009, governing payment from the contingent fund of the Senate to commercial reporting firms for the preparation of verbatim transcripts of hearings, markups, and related meetings held before Senate committees, subcommittees, and certain joint committees.

I. GENERAL PROVISIONS

These regulations establish the technical and procedural requirements for commercial reporting firms providing and receiving reimbursement for verbatim transcripts of hearings, markups, and related meetings held before Senate committees, subcommittees, and certain joint committees.

Each transcript shall be provided electronically to the requesting committee in accordance with Section II of these regulations.

Except as provided in Section III of these regulations, all vouchers shall be supported and accompanied by a Secretary of the Senate page count. Each electronic transcript submitted must contain only one day or one session of a hearing. The Secretary of the Senate will include a separate count for material inserted in the transcript.

The Secretary of the Senate page count shall be considered final and conclusive on all parties, and shall be calculated through the following process:

1. Determine total number of characters in transcript.

a. A character is a key stroke. It includes any alpha-numeric and word processing command.

2. Divide total number of characters by 1,300.

3. The result in Step 2 rounded to the next whole number shall be the number of pages in the transcript.

To assist the Secretary of the Senate in conducting accurate page counts, commercial reporting firms shall utilize software tools provided by the Secretary of the Senate.

Hard copy transcripts will be supplied only upon agreement between committees and vendors and subject to the requirements of Section II.

Fifth Business day copy (transcripts delivered within five business days) will be supplied unless same day, next day, or second business day copy is specifically requested by the chairman of the committee.

II. FORMAT OF TRANSCRIPTS

Electronic—All electronic transcripts must conform to the technical specifications established by the Committee on Rules and Administration. Electronic transcripts supplied shall contain 25 lines of characters to the page. The lines must be double spaced and contain 10 letters to the inch. The paging of the transcript shall be in a single series of consecutive numbering, exclusive of inserted material. Committees and vendors shall agree in advance upon the file type, or types, to be provided (ex. Word, Word Perfect, PDF, E-Transcript, ASCII, etc . . .).

The following technical specifications will be used by reporting companies when supplying electronic hearing transcripts for committees of the Senate:

1. The media and data must be unblocked and the electronic transcript shall contain the full verbatim record.

2. The electronic file must contain the following identifying information in the document's meta-data:

Reporting Company name
Company Representative
Phone number
The words ''U.S. Senate''
The Committee and/or Subcommittee for whom the tape is produced
Title of Meeting
Date(s) of Meeting

Hard copy—All hard copy transcripts shall be an original letter quality produced on 20-lb. white writing paper or equivalent white paper, one side only, in a size of 8.5 × 11 inches with margin of 1.75 inches at the left side. All pages shall contain 25 lines of typewriting to the page. The lines must be double spaced and contain 10 letters to the inch. The paging of the transcript shall be in a single series of consecutive numbering, exclusive of inserted material.

The entire hard copy record shall be drilled or punched with three holes, 4.25 inches center to center on the left side, fastened with heavy paper of good quality. A cover sheet containing the following identifying information shall be included with the hard copy transcript:

Reporting Company name
Company Representative
Phone number
The words ''U.S. Senate''
The Committee and/or Subcommittee for whom the tape is produced
Title of Meeting
Date(s) of Meeting

III. EXCEPTION TO PAGE COUNT REQUIREMENT

In cases where, for reasons of security, the committee chairman determines a copy of the transcript shall not be forwarded to the Secretary of the Senate for a page count, a voucher will be honored if supported on its face by an affidavit by an official of the commercial reporting firm, setting forth the page count and including a statement by the committee chairman to the effect that no page count is desired for reasons of security.

IV. REIMBURSEMENT RATES

The Senate Committee on Rules and Administration will publish, and periodically update, a schedule of reimbursement rates for transcription services. The amounts in the schedule shall represent the maximum reimbursement rates for the listed services.

V. PRIOR REGULATIONS FOR REPORTORIAL SERVICES RESCINDED

All previous rules and regulations of the Committee on Rules and Administration governing rates payable to commercial reporting firms for preparation of transcripts of hearings in the Senate are hereby canceled and rescinded.

VI. EFFECTIVE DATE OF THESE REGULATIONS

These regulations are effective on March 27, 2009.

REGULATIONS GOVERNING SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNTS

(Adopted by the Committee on Rules and Administration Pursuant to Senate Resolution 170 agreed to September 19, 1979, as amended May 22, 1992, further amended November 3, 2003, further amended March 27, 2009.)

Section 1. For the purposes of these regulations, the following definitions shall apply:

a. Documentation means invoices, bills, statements, receipts, or other evidence of expenses incurred, approved by the Committee on Rules and Administration.

b. Official expenses means ordinary and necessary business expenses in support of the Senators' official and representational duties.

Section 2. No reimbursement will be made from the contingent fund of the Senate for any official expenses incurred under a Senator's Official Personnel and Office Expense Account, in excess of $50, unless the voucher submitted for such expenses is accompanied by documentation, and the voucher is certified by the properly designated staff member and approved by the Senator.

Section 3. Official expenses of $50 or less must either be documented or must be itemized in sufficient detail so as to leave no doubt of the identity of, and the amount spent for, each item. Items of a similar nature may be grouped together in one total on a voucher, but must be itemized individually on a supporting itemization sheet.

Section 4. Travel expenses shall be subject to the same documentation requirements as other official expenses, with the following exceptions:

a. Hotel bills or other evidence of lodging costs will be considered necessary in support of per diem.

b. Documentation will not be required for reimbursement of official travel in a privately owned vehicle.

Section 5. No documentation will be required for reimbursement of the following classes of expenses, as these are billed and paid directly through the Sergeant at Arms and Doorkeeper:

a. Official telegrams and long distance calls and related services;

b. Stationery and other office supplies procured through the Senate Stationery Room for use for official business.

Section 6. The Committee on Rules and Administration may require documentation for expenses incurred of $50 or less, or authorize payment of expenses incurred in excess of $50 without documentation, in special circumstances.

Section 7. Vouchers for the reimbursement of official travel expenses to a Senator, employee, detailee pursuant to section 503(b)(3) of PL 96–465, or individual serving on a nominee recommendation panel pursuant to 2 USC 58(h) shall be accompanied by an ''Expense Summary Report—Travel'' signed by such person. Vouchers for the reimbursement to any such individual for official expenses other than travel expenses shall be accompanied by an ''Expense Summary Report—Non-Travel'' signed by such person.

CHANGES TO THE SENATE TRAVEL REGULATIONS TO REFLECT CHANGES WITHIN THE UPDATED SIGNATURE REGULATIONS

II. Regulations Governing Senators' Official Personnel and Office Expense Accounts Adopted by the Committee on Rules and Administration Pursuant to Senate Resolution 170 agreed to September 19, 1979, as amended.

Section 1. For the purposes of these regulations, the following definitions shall apply:

a. Documentation means invoices, bills, statements, receipts, or other evidence of expenses incurred, approved by the Committee on Rules and Administration.

b. Official expenses means ordinary and necessary business expenses in support of the Senators' official and representational duties.

Section 2. No reimbursement will be made from the contingent fund of the Senate for any official expenses incurred under a Senator's Official Personnel and Office Expense Account, in excess of $50, unless the voucher submitted for such expenses is accompanied by documentation, and the voucher is certified by the properly designated staff member and approved by the Senator.

Section 3. Official expenses of $50 or less must either be documented or must be itemized in sufficient detail so as to leave no doubt of the identity of, and the amount spent for, each item. Items of a similar nature may be grouped together in one total on a voucher, but must be itemized individually on a supporting itemization sheet.

Section 4. Travel expenses shall be subject to the same documentation requirements as other official expenses, with the following exceptions:

c. Hotel bills or other evidence of lodging costs will be considered necessary in support of per diem.

d. Documentation will not be required for reimbursement of official travel in a privately owned vehicle.

Section 5. No documentation will be required for reimbursement of the following classes of expenses, as these are billed and paid directly through the Sergeant at Arms and Doorkeeper:

e. Official telegrams and long distance calls and related services;

f. Stationery and other office supplies procured through the Senate Stationery Room for use for official business.

Section 6. The Committee on Rules and Administration may require documentation for expenses incurred of $50 or less, or authorize payment of expenses incurred in excess of $50 without documentation, in special circumstances.

Section 7. Vouchers for the reimbursement of official travel expenses to a Senator, employee, detailee pursuant to section 503(b)(3) of PL 96–465, or individual serving on a nominee recommendation panel pursuant to 2 USC 58(h) shall be accompanied by an ''Expense Summary Report—Travel'' signed by such person. Vouchers for the reimbursement to any such individual for official expenses other than travel expenses shall be accompanied by an ''Expense Summary Report—Non-Travel'' signed by such person.

The proposed update specifies that the obligation date on a voucher is the transaction date on a third party vendor (Visa Card) monthly statement or invoice. The current regulations will be amended by the addition of the highlighted language.

COMMITTEE REGULATIONS GOVERNING ADVANCE PAYMENT

(Adopted by the Committee on Rules and Administration, October 30, 1997, Amended on September 30, 1998, Further Amended on March 27, 2009)

Under the authority granted by Sec. 1(b) for P.L. 105–55, the FY98 Legislative Branch Appropriations bill and using these regulations—

The term ''advance payment'' means any expense authorized, by the Committee on Rules and Administration, pursuant to P.L. 105–55.

By the above definition of advance payment and following the enactment of the FY98 Legislative Branch Appropriations bill, in addition to subscriptions, the following items are for advance payment:

a) Rental of water coolers (cooler units only/not for water)

b) Monthly maintenance on equipment that is either non-standard and/or above the $500 limit

c) Cable TV services (including basic satellite service where needed)

d) Online services (for official use by the Senator only)

e) Rental booths at State Fairs, rent for space to be used during town hall meetings and associated costs (not to include insurance)

f) Conference and seminar fees (not to include meals charged separately)

g) Payments on leased equipment

h) Paging service

i) Clipping services

j) Yellow page listings (not to include the classified yellow pages)

k) State office rents, up to 1 year in advance

l) Metro subsidy, one week in advance of the new month

m) Pre-paid cellular and telephone communications

The date of transaction will determine the fiscal year for payments of government authorized charge cards or reimbursements to Members and staff. Additionally, for a charge card statement that crosses fiscal years, the transaction dates will be used to determine the fiscal year, which could require submitting two separate vouchers for one statement. If an office has documentation proving the transaction took place in a different fiscal year than the statement stipulates, that documentation will determine the fiscal year.

All Senate Offices (Member Offices, Committees, and Officers of the Senate) are authorized to voucher the initiation or renewal of subscriptions (print and digital) based on the obligation or transaction date.

With respect to charges for on-line services, paging services, clipping services, and equipment maintenance, advance payment shall only be made in the cases of ''flat fee services.''

Also, no advance payment will be allowed in instances where cancellation fees may be incurred. Time limitation on the obligation of funds is restricted to a Member's six-year term of office and a Committee's biennial funding period, or for Officers of the Senate, the term of a Congress.

COMPREHENSIVE APPROACH TO GUN VIOLENCE

Mr. LEVIN. Mr. President, earlier this month, the Brady Center to Prevent Gun Violence released a report, ''Exporting Gun Violence,'' that documents how Mexican drug gangs are exploiting weak U.S. gun laws and corrupt gun sellers in the U.S. to amass arsenals of high powered guns. These guns have been used to kill thousands in Mexico and pose an increasingly grave security threat to both Mexico and the United States.

Mexican law enforcement officials are increasingly being outgunned by drug gangs bearing military-style assault weapons, .50 caliber sniper rifles and other high powered weapons that originate from the United States. According to the Bureau of Alcohol, Tobacco, Firearms and Explosives, ATF, more than 7,770 guns recovered from crime scenes in Mexico were traced back to gun dealers in the U.S. during 2008, up from 3,300 in 2007. The ATF has warned that an ''iron river of guns is streaming across the border at such a pace that some are being recovered in Mexico within days after their purchase in the U.S.''

According to the U.S. Department of State's latest International Narcotics Control Strategy report, ''U.S.-purchased or stolen firearms account for an estimated 95 percent of Mexico's drug related killings.'' Unlike Mexico's tougher gun laws, unlicensed sellers in the U.S. are allowed to sell guns without a background check, civilians are permitted to purchase military-style assault weapons, and there are no limits on the quantity of guns that can be sold at any given time. In the U.S., a trafficker can purchase as many guns they want from an unlicensed seller, no questions asked.

On March 17, 2009, both ADM James Stavridis, commander of the U.S. Southern Command, and GEN Gene Renaurt, commander of the U.S. Northern Command, testified during a Senate Armed Services Committee hearing, which I chaired, that the large flow of guns into Mexico and Central America from the U.S. is having a destabilizing impact in those countries. Many believe this destabilization could pose a significant national security threat to the U.S. According to the report, Mexican Attorney General Medina Mora has stated that, before the assault weapons ban in the U.S. was allowed to expire, only 21 percent of the weapons seized from traffickers were assault rifles, while today, it is more than half.

President Obama has called for a comprehensive approach to the growing level of violence in Mexico. However, unless existing gun laws are strengthened, drug cartels and criminals in Mexico and the United States will continue to build their arsenals. We must act to close the gun show loophole, reinstate the assault weapons ban and enact other commonsense gun safety legislation.

OMNIBUS PUBLIC LANDS ACT

Mr. AKAKA. Mr. President, I was pleased to attend today's Presidential signing ceremony for the Omnibus Public Lands Management Act of 2009, H.R. 146. In signing the act into law, President Obama underscored the Nation's commitment to serve as a responsible steward of our public lands and cultural and natural resources.

As a bipartisan package of more than 160 individual bills, the enactment of this act culminates many hours of congressional hearings, deliberation, and debate. As the former chairman of the Senate Energy and Natural Resources Subcommittee on National Parks, I was proud to have chaired hearings on individual measures in the act and to have worked with my colleagues in the House and Senate to put together a public lands package that confirms our Nation's desire to ensure that future generations will enjoy and benefit from the preservation of natural resources and historic sites.

I join those who have praised this momentous act for setting aside more than 2 million acres of land as protected wilderness and more than 1,000 miles of wild and scenic rivers. It is important to note that this act also is invaluable in protecting, preserving, and memorializing our country's cultural heritage and natural resources. This act contains four provisions that I sponsored during the 110th Congress which acknowledge the historical contributions made by Native Hawaiians as well as the need to preserve Hawaii's unique heritage and biodiversity for future generations: H.R. 3332, the Kalaupapa Memorial Act; S. 1728, the Na Hoa Pili O Kaloko-Honokohau Advisory Commission Reauthorization Act; S. 2220, the Outdoor Recreation Act of 1963 Amendments Act; and S. 320, the Paleontological Resource Preservation Act, which preserves fossils across the Nation. In addition, it includes a bill that I cosponsored, S. 1680, the Izembek and Alaska Peninsula Refuge Enhancement Act of 2008, which addresses the needs of a rural and indigenous Alaska Native community.

Section 7108 authorizes a memorial to be established at Kalaupapa National Historical Park, which is located on a remote peninsula on the island of Molokai. This long overdue memorial will honor and perpetuate the memory of those Hansen's disease patients who were forcibly relocated to the Kalaupapa community, many of whom were buried with no marked grave. This measure authorizes a nonprofit organization, Ka 'Ohana O Kalaupapa, consisting of the remaining Kalaupapa residents and the family and friends of current and past residents, to establish a memorial at a suitable location in the Park for the 8,000 residents who lived at the Kalaupapa and Kalawao communities. This monument empowers the people of Kalaupapa to share their story and the lessons learned as the community came together to overcome their hardships. Previously only recognized as a place of isolation, this monument will transform Kalaupapa into a place of healing, education, and contemplation connecting families to their ancestors.

The Na Hoa Pili O Kaloko-Honokohau Advisory Commission Reauthorization Act, section 7401, extends the authorization for the National Park's advisory commission through 2018. Located on the western coast of the island of Hawaii, Kaloko-Honokohau National Historical Park was established in 1978 to provide for the preservation, interpretation, and perpetuation of the Park's cultural and natural features. The Advisory Commission has played an integral role in advising the National Park Service to provide for the education, enjoyment, and appreciation of traditional Native Hawaiian activities and culture within the Park.

The Kaloko-Honokohau Park is a unique part of the Hawaii National Park System as it is home to two types of fish ponds, as well as the 'Ai 'opio fish trap, a 1.7-acre pond comprised of a manmade stone and coral wall along the naturally curving shoreline. These are treasured sites not only from a cultural stand point demonstrating the ingenuity of Native Hawaiians in engineering these fishponds but also from a resource management perspective on how in the 21st century we can utilize such traditional knowledge to enhance our understanding and shape our management practices today.

Recognizing the importance of the 'Ai 'opio fish trap, in 2008 the National Park Service Save America's Treasure program awarded a $350,000 grant to Project Ola 'Ai 'opio, a Park Service initiative to restore the fish trap. Ocean waves and erosion have endangered the structural integrity of the trap and the grant will be used to methodically stabilize the kuapa—fish trap walls—over a 12-month period. This award not only aids in preservation of the fish trap but also ensures that visitors will be able to appreciate Hawaii's unique historical and cultural heritage into the future.

Section 13006 of the act contains my bill to authorize appropriations for fiscal years 2008 through 2017 in the amount of $5 million for the operation and maintenance of the National Tropical Botanical Garden. A congressional charter established the National Tropical Botanical Garden in 1964 to foster horticultural research, education, and plant preservation. This authorization enables the National Tropical Botanical Garden to meet its Federal mandate and preserve unique species found only in Hawaii for the benefit of future generations. The National Tropical Botanical Garden has proven itself to be a significant national and international resource. The tranquil beauty offered by its gardens, collection of rare and endangered plant life, focused library and herbarium collections, scientific research, conservation initiatives, and education programs have all benefited the United States.

The National Tropical Botanical Garden is expressly mandated to foster and encourage research of tropical flora in agriculture, forestry, horticulture, medicine, and other sciences for the benefit of all the people in the United States. It is a national resource for biological science. Most recently, in 2008, it discovered Bilirubin, an animal pigment, in plants. This important discovery documented for the first time that an animal pigment is naturally occurring in the seed of the white bird of paradise tree.

The National Tropical Botanical Garden is a national resource for education and career development. Over four decades, it has developed a full spectrum of educational offerings that provide opportunities for the next generation of scientists. Over 5,000 school-aged children are educated each year in conservation principles and practices. The Horticultural Internship Program trains undergraduates in horticulture, botany, and conservation.

In addition, the National Tropical Botanical Garden is a national resource for medical research. Its researchers have developed and hold patents on a potential anti-HIV drug called Prostratin that is currently going through clinical trials and are also working to find the cause for Alzheimer's and Parkinson's diseases. Once a year, it holds a course accredited by the American Medical Association that provides 16 credits to medical professionals in herbal remedies derived from plants. By enacting this provision into law, I am hopeful that the National Tropical Botanical Garden will be able to continue with its important work for years to come.

The Paleontological Resources Preservation Act, title VI, subtitle D, helps protect and preserve the Nation's important fossil resources that are found on Federal lands for the benefit of our citizens. As a matter of clarification, this bill covers only paleontological remains on Federal lands and in no way affects archaeological or cultural resources under the Archaeological Resources Protection Act of 1979 or the Native American Graves Protection and Repatriation Act.

The provision to preserve paleontological resources, in its original and amended form, never intended to undermine the current practice of casual collecting that is being enjoyed on Federal lands. Notwithstanding the educational benefits and the major fossil discoveries made by amateur collectors and curio hunters, this title addresses the increasing problem of intentional fossil theft on Federal lands. Vertebrate fossils are rare and important natural resources that have become increasingly endangered due to an increase in the illegal collection of fossil specimens for commercial sale. Recognizing that there was no unified policy regarding the treatment of fossils by Federal land management agencies, I worked to include this provision in the act to help protect and conserve fossil specimen, a valuable scientific resource. This act will provide uniformity to the patchwork of statutes and regulations that previously existed. Further, it will create a comprehensive national policy for preserving and managing fossils and other artifacts found on Federal land, and will prevent future illegal trade.

Title VI, subtitle E, the Izembek National Wildlife Refuge Land Exchange, addresses the needs of a rural and indigenous Alaska Native community. This subtitle allows developing a road that would provide dependable and safe year-round access for the residents of King Cove in Alaska to the nearby Cold Bay Airport. I believe that the 800 residents of King Cove, most of which are native Aleut, have an absolute right to a reliable means of transport that is accessible under all weather conditions. This provision will help address many of the community's safety, health, and medical concerns. The United States has a responsibility to its indigenous people, and I am proud this provision will enable this community and appropriate State and Federal stakeholders to move forward on this initiative.

Passage of this act was an extensive, challenging, but ultimately fulfilling journey, and I am pleased with today's enactment of the Omnibus Public Lands Management Act of 2009 into law. I am confident this act will promote and strengthen opportunities to preserve Hawaii's and the Nation's environmental and cultural heritage. This landmark Act will serve as a stable foundation for us to continue to build upon.

HOUSING AND ECONOMIC RECOVERY ACT

Mr. SPECTER. Mr. President, I have sought recognition to discuss S. 253, a bill introduced by Senator JOHNNY ISAKSON to expand the home buyer tax credit. I support this legislation and have asked to be added as a cosponsor.

A robust home buyer tax credit will spur consumer demand and help to stop the fall in home values, which continues to affect millions of Americans. This decline is destroying the savings and net worth of Americans, whose homes are their most valuable asset. Many now have mortgages that exceed the value of their homes.

The Housing and Economic Recovery Act of 2008 created a tax credit for first-time home buyers of $7,500 through June of 2009. However, taxpayers were required to repay the tax credit in equal installments over 15 years, which greatly reduced its effectiveness. The 2009 Stimulus bill waived the repayment requirement for purchases made in 2009, increased the value of the credit to $8,000, and extended eligibility for purchases made through November of 2009.

Further improvements are necessary, in my judgement, to bring about a recovery in the housing market that will ultimately contribute to the turnaround of the broader economy. First, S. 253 would increase the value of the credit to 10 percent of the home price capped at 3.5 percent of Federal Housing Administration loan limits. These limits are geographically dependent and would yield a credit ranging between approximately $10,000 and $22,000.

Second, S. 253 would make the home buyer tax credit available to any individual who purchases a home, not just first-time home buyers. Doing so would stimulate demand for the entire range of homes on the market.

Finally, S. 253 would increase the income eligibility threshold to individuals earning up to $125,000, or $250,000 in the case of a joint return. Currently, the credit is reduced for individuals with modified adjusted gross income, AGI, of more than $75,000—$150,000 for joint filers—and is zero for those individuals with modified AGI in excess of $95,000—$170,000 for joint filers. Again, doing so would stimulate demand for the entire range of homes on the market.

The need for a robust home buyer tax credit is clear. According to the National Association of Realtors, pending home sales hit a record low in January 2009. The pending home sales index, which measures the number of sales contracts signed each month, fell 7.7 percent to 80.4, the lowest mark since 2001 when tracking began.

At the same time, the housing affordability index rose 13.6 percentage points to a record high of 166.8. A value of 100 means that a family with the country's median income has exactly enough income to qualify for a mortgage on a median-priced existing single-family home. The higher the index, the better housing affordability is for buyers.

These two figures, taken together, demonstrate that a robust home buyer tax credit is needed to spur demand from Americans that are hesitant to buy homes for fear that prices will not stabilize.

IDAHOANS SPEAK OUT ON HIGH ENERGY PRICES

Mr. CRAPO. Mr. President, in mid-June, I asked Idahoans to share with me how high energy prices are affecting their lives, and they responded by the hundreds. The stories, numbering well over 1,200, are heartbreaking and touching. While energy prices have dropped in recent weeks, the concerns expressed remain very relevant. To respect the efforts of those who took the opportunity to share their thoughts, I am submitting every e-mail sent to me through an address set up specifically for this purpose to the CONGRESSIONAL RECORD. This is not an issue that will be easily resolved, but it is one that deserves immediate and serious attention, and Idahoans deserve to be heard. Their stories not only detail their struggles to meet everyday expenses, but also have suggestions and recommendations as to what Congress can do now to tackle this problem and find solutions that last beyond today. I ask unanimous consent to have today's letters printed in the RECORD.

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

The rising cost of fuel along with the slowdown of the housing industry has had a big effect on my family. My husband is a residential contractor who builds homes all over the valley. There are days when he spends more time in his vehicle than at the office. With the housing market slump plus the rising cost of gas we have already had to take pay cuts which will now put us in jeopardy of being able to pay all of our bills. We have also reduced the comfort level (temperature) of our home so that we can continue to pay our electricity and natural gas bills.

The most difficult thing I encounter is to my weekly trips to the grocery store. We have four growing children and it is not cheap to feed them and ourselves. Each week I purchase fewer groceries, yet my food bill does not diminish. Because of the interest in bio-fuels, essentials like vegetable oil, flour, and wheat are skyrocketing. The cost of vegetable oil has more than doubled in the last six months.

My biggest source of frustration is the lack of action the government is taking. It upsets me to no end that as a nation we are paying trillions of dollars every year for oil to nations that would very much like to destroy us. I believe that other methods for fuel need to be looked into, but first we need to be independent from outside oil. Let's use our resources and pay Americans to find, drill, and to refine our own oil! Let's help our economy by keeping the trillions of dollars we are pouring into the Middle East inside our own country. Not only would we keep our money here, but we could employ thousands of Americans as well. I feel like the leaders of this nation have lost sight of what is important to the people. Get rid of the laws that are restricting our prosperity, remember that the well being of human beings is more important than animals, fish, bugs etc. and accomplish something that will bring relief to hard working families.

Thank you for your time and for this opportunity to express my feelings and concerns. I have felt so powerless for so long when it comes to what is happening in this world, and I have prayed to know how I can make a difference. I hope that this will help you and that it will be an answer to my prayers as well. I appreciate the service you give to our State and Country.

SARAH, *Meridian*.

Like all Americans I am disturbed by the current state of affairs in this country that are due to energy costs. There are a number of things I believe the federal government can do to either ease the burden in the short term, or to urge the country forward to a much more independent state.

Short term suggestions:

Let us allow oil exploration in the currently prohibited coastal areas, the Alaska National Wildlife Refuge, the Rocky Mountains etc. A policy which ensures reasonable protections for the environment yet provides the energy the American people need, cannot be beyond the capacity of Congress to develop.

Encourage President Bush to direct all Executive Agencies to allow work shifts of four 10 hour days per week, for as many employees as possible. He and Congress should further encourage all employers in this country to do the same where possible. A 20% reduction in commuting fuel use for employees will help not only them, but reduce congestion, and therefore fuel use, for everyone else as well. Those employers who can shut down their operation for a day per week as well, will save substantially in overhead energy costs. If it is possible to implement an incentive for employers to do this the federal government should provide one.

Longer term suggestions:

The US Postal Service has a very large fleet of vehicles which would benefit from regenerative braking systems. I'm specifically speaking of the Grumman Long Life Vehicles (LLV's). They are on the road six days a week, for a substantial portion of the day, and spend the majority of that day stopping and going repeatedly. Eaton Corporation is currently in partnership with Peterbuilt to produce garbage trucks with hydraulic regenerative braking systems (http://www.greencarcongress.com/2004/10/eaton_and_peter.html). A group from UCLA has made substantial progress in using compressed air as a storage medium in passenger cars. As the USPS LLVs are all basically the same, a system could be retrofitted to them at a reasonable cost, and it would substantially lessen their fuel consumption. The Eaton system is designed for trucks in excess of 7000 pounds, and UCLA's system is not fully flushed out at this time. Nevertheless, I see this as an area the federal government can take the lead in, assisting in the proving of the technology, and in getting to the necessary economy of scale needed to bring these systems into the mainstream. I believe the USPS will be able to break even on the investment in a short enough period of time to make this viable.

The fleet of vehicles used by most government agencies is diverse. Including a choice for full electric vehicles is appropriate. While clearly a BLM ranger in Idaho won't be able to function with an electric car with a 100 mile range, I'm sure there are a number of applications for that same vehicle in the DC area. GSA's vehicle contracts should bring these vehicles into being within a few years.

We have the Renewable Fuels Standard (RFS), law on the books now, but it is not as good a law as it should be. It is written to reward industry for per gallon production of biofuels. The easiest fuel for them to produce is ethanol, which has about half the energy of gasoline, cannot be run in unmodified engines, and has such an affinity for water that we cannot use the existing fuel pipelines to transport it. (It absorbs any water it encounters so it must be reprocessed to remove that water.) This law should be modified to reward industry for the production of readily usable fuels, and do so on a gasoline energy equivalency scale. This will encourage more production of biodiesel, and butanol. Butanol is a 4 carbon alcohol (ethanol has two carbon atoms), it can be run in unmodified engines in much higher concentrations than ethanol, it is energy density is close to that of gasoline and it has nowhere near the affinity for water that ethanol has. Biodiesel is roughly equal to petroleum based diesel in energy, and requires very little if any modification of standard engines.

My understanding is that part of our gasoline price problem is due to the limited number of refineries in this country. Further the oil companies are not building new ones due to the onerous environmental regulations which apply to new facilities. (The older ones being grandfathered in with lower requirements.) I'm having difficulty separating the truth from the propaganda on this issue. If the preceding statements are indeed correct, we need to reevaluate the standards which a refinery must meet, and produce legislation which encourages the creation of new facilities. As an example, allow one refinery to be built which meets a lower pollution standard for each two new ones which meet the current requirements. Or allow a new refinery to meet lower standards for the first three years of operation, before it must be brought up to the higher standard. Or allow a new refinery to meet the lower standards, but require it only be built in areas which can tolerate the impact more readily.

The Federal Government needs to initiate an effort on par with the Apollo program or the Manhattan Project to relieve us from dependence on foreign oil. We need research into better batteries, capacitors with higher energy density, hydrogen storage systems with higher energy density, more efficient solar cells, inexpensive cellulase enzyme production, and other technologies which will allow this country to declare our independence again. I wouldn't mind if the financing came by reducing the foreign aid to countries which are not acting as our friends at this time. I sincerely hope that you, and your fellow Senators and Congressmen can help move the country forward from this untenable state,

STEVE, *Boise*.

With the higher energy prices, we are allocating more money for fuel and less to other items which in the long run will slow different parts of the economy...we have less money to use on discretionary items. We are becoming part of a nation that will only be able to work and will no longer be able to enjoy any free time to vacation or buy needed things that wear out because we cannot afford them. Only work and work—nothing else.

(1) I am for opening all aspects of drilling and we have the technology and expertise to drill responsibly. Drill offshore and open all venues to drill for the oil we have.

(2) Suspend production of different blends of fuel, one blend with different octane ratings for gas will free up production. Pick a blend and stay with it throughout the U.S.

(3) Streamline in months not years the application process for nuclear plants.

(4) This should be #1...remove all fuels and food products from the hands of big speculators. These were developed to hedge farm, and oil field production, let us get it back that way and smaller speculators can still supply liquidity to the market.

(5) If #4 does not work, then have safety valves by government intervention in order to keep undue hardship from befalling most Americans from high food and fuel prices?

(6) Urge Mr. Bernanke to raise interest rates to strengthen the dollar.

(7) Use monies sent overseas to other countries to pay off national debt to strengthen dollar.

(8) Raise taxes on people making over $200,000 to help pay off national debt to strengthen dollar. We paid it off once. Let us do it again the same way. No need to re-invent the wheel; just get it done!

(9) Quit [partisan] bickering. These policies can help everyone; poverty knows no party. We need solutions and we need them now!

(10) Hefty windfall profits tax to companies that are exploiting us and jail time to the people that are making large profits from things that are necessities of life. Some are not eating, some are not heating their homes, some are dying because of it. Shame on them, and our seniors who are lifelong taxpayers are being shunned and left to die.

JIMMY.

I am a large fish farmer from the Magic Valley. Our energy costs have escalated over the past few years and unfortunately we deal with very perishable food. Our trout must be shipped directly to buyers without changing hands so we must cope with the huge cost of fresh transport across the nation. Idaho is a fabulous place to live and what makes it so nice are the wide open spaces between us all. So, just like having to send fish in a hurry, the citizens of Idaho must travel large distances. I grew up in Iowa, and there is a town every five to ten miles. Here we must travel sometimes 50 to 80 miles between towns. Sometimes farther to purchase items from larger cities.

I think it is wise to look at the bigger picture and try to figure out where we can save fuel and where we cannot. I think that shipping products by rail is one very, very efficient way to use fuel. Unfortunately for most shippers the slow movement of products by rail discourages most of us from using this efficient means of transportation. If our government provided railroads with the funds needed to improve their infrastructure by double, triple, or even quadruple tracking the most efficient corridors, we may divert the thousands of inefficient trucks from using so much diesel fuel. It is possible to move products by rail nearly as fast as trucks can. This may in turn reduce demand and thus reduce the cost of fuel for the average citizens of Idaho.

DIRK.

I think that the oil companies should increase the production because it is putting our nation's truck drivers out of business and without truck drivers who will carry our freight.

CHARLIE, *Boise.*

I am from Burley, but am presently teaching English in Riyadh, Saudi Arabia. I am sure you know that these gasoline prices Americans are now paying have been this high, or generally, much higher, in Europe, Asia, and Africa. We Americans do not have any room to whine, but rather we simply need to learn how to cope, like the rest of the world. Gas is ten bucks a gallon in the UK. Thailand is around the same, as is Japan. I say let us Americans experience what the rest of the world has been experiencing for many years.

BOB.

I am a retired federal employee, after 40 years of federal service as an air traffic controller, and six years military. I feel I have a voice as to what should happen in my retirement. My fuel costs have now exceed my food costs, which means less food. Having a small retirement fixed income means sacrifices in food, medical treatment, and other necessary expenses. The irony of it all is it is not necessary. Stop China's offshore drilling into our oil, authorize ANWR, stop exporting our Alaskan oil, listen intently to the Governor of Alaska and her solutions for some of our energy problems. Get all of our alternative energy systems up and running now, not next year, now. Just because other governments have failed, is it just fashionable that we should cause ours to fail??? Also, we as a people should be very embarrassed, with the way we have conducted our political fiasco the last few months. It has been a total disgrace.

GENE.

I am sending you this email in response to your questions on how energy prices are affecting me. I have a family of eight. We cannot downsize to a more fuel-efficient vehicle. We will have driven about 5,000 miles this summer just for family vacation, family reunions, and church camps. That is about $1,300 in gas, assuming it averages $4.00 per gallon. In addition, we are the kids' taxi for soccer, piano, guitar, dance, scouts, and other activities. Rising energy prices are causing a noticeable rise in the food prices for a family of 8. I am also a small business owner struggling to keep my business going. I have to travel. Airplane and rental car prices have gone up noticeably.

To address this issue, I think first priority is to increase drilling in the Gulf and ANWR and build new domestic refineries. We know how to do that—we can do it relatively quickly. Once our foreign oil sources see that we are serious about domestic production, they will lower the prices to get us to forget about it and be complacent again. It will be a few years before our new oil rigs and refineries come online but the message to the world will be clear. Do not let the government impact big oil with extra taxes or limits. Nuclear and other alternative energy sources are good but will take too long to come online and have an impact. But we need to foster companies to develop those sources. Conservation by getting people to change their behavior is impractical and temporary. Conservation by developing new technologies will help our energy situation. I am helping develop technology with a client, Green Plug (www.greenplug.us), that will conserve electrical energy. In summary, let big oil and other energy companies flourish. Let capitalism work its wonders.

GARY, *Boise.*

My husband and I returned from Arizona yesterday, after being away from home for six weeks. The reason that we went to Arizona was to visit the Mayo Clinic, since the ailment my husband had was unable to be treated here. We are blessed to have family in the Phoenix area, so we were able to stay with them. The very big expense was the price we had to pay for fuel going and coming back. We live in McCall, and any time we need to see a specialist we have to drive to Boise which is a 100 miles away. Again the price of gas is choking us. It is sad to know that we have oil available in this country, but that Congress does everything to stop us from getting it. We listened to President Bush's speech today, and agree wholeheartedly with what he said. Our view is also that we need to develop nuclear power, and any other means of keeping this country self reliant.

LOUISE, *McCall.*

I am writing concerning the high cost of fuel, and in hopes that you and your fellow Senators will act and do something to give us relief. My husband and I own a small business doing demolition and excavation. We own one tractor truck and several pieces of heavy equipment. We are a ''one-man'' operation. Just the other day we paid $4.34 a gallon for off-road diesel. On road diesel is even higher. It takes almost $1,000 to fill the tanks on the truck. Because of the slowdown in the building market around here, jobs are hard to come by. We can only afford to raise our rates so much—then we lose the business all together.

On a different note, my mother and sister have both been unemployed for a few months. They both just got jobs in another city about 15 miles away. They both get paid $9.00 an hour and work about 30 hours a week. We are very excited that they are now able to stop receiving government aid. However, with the price of gasoline over $4 a gallon in the end they will hardly make enough to pay their rent and other bills. (They work in different places doing one-on-one care for special needs children and are unable to carpool either.) This, to me, is a sad state of affairs when people should be excited about supporting themselves, but are still unsure of whether they can.

I grew up in Texas during the oil boom in the 80s. Drilling for oil there did not hurt anyone I knew. I am sure that technologies have improved over the past two decades, so any environmental concerns should be taken care of. I do not understand why we are not taking advantage of the resources we have in our own country to provide for ourselves as well as provide much needed jobs for our citizens. Please lift the ban on off-shore exploration, oils shale production, and drilling in ANWR. Also, has the idea of suspending the federal fuel tax for period of time been dismissed? This would provide immediate short-term relief. Please encourage your counterparts to consider the working class of America. We need a break!

SHELLI.

I am very concerned about ever-increasing energy costs. I completely agree with your policy of searching for alternative sources of energy. Also, [I am concerned that Congress is out of touch with regular Americans] Please talk to your peers about doing whatever it takes to get things going on alternative means of energy and increasing exploration and refining facilities for oil.

ROBERTO, *Payette.*

REPORTS OF COMMITTEES DURING ADJOURNMENT OF THE SENATE

Under the authority of the order of the Senate of March 26, 2009, the following reports of committees were submitted on March 27, 2009:

By Mr. CONRAD, from the Committee on the Budget, without amendment:

S. Con. Res. 13. An original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS DURING ADJOURNMENT OF THE SENATE

On March 27, 2009, under the authority of the order of the Senate of March 26, 2009, the following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CONRAD:

S. Con. Res. 13. An original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; from the Committee on the Budget; placed on the calendar.

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. AKAKA (for himself, Mr. BAUCUS, and Mr. BEGICH):

S. 734. A bill to amend title 38, United States Code, to improve the capacity of the Department of Veterans Affairs to recruit and retain physicians in Health Professional Shortage Areas and to improve the provision of health care to veterans in rural areas, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BAUCUS (for himself and Mr. GRASSLEY):

S. 735. A bill to ensure States receive adoption payments for fiscal year 2008 in accordance with the Fostering Connections to Success and Increasing Adoptions Act of 2008; to the Committee on Finance.

By Mr. AKAKA (for himself and Mr. VOINOVICH):

S. 736. A bill to provide for improvements in the Federal hiring process and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Ms. COLLINS (for herself and Mr. UDALL of Colorado):

S. 737. A bill to amend the Energy Independence and Security Act of 2007 to authorize the Secretary of Energy to conduct research, development, and demonstration to make biofuels more compatible with small nonroad engines, and for other purposes; to the Committee on Energy and Natural Resources.

By Ms. LANDRIEU (for herself, Mr. BOND, Mr. BROWNBACK, Mr. COCHRAN, Mr. JOHNSON, and Mr. ROBERTS):

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; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. NELSON of Florida (for himself and Ms. LANDRIEU):

S. 739. A bill to require the Consumer Product Safety Commission to study drywall imported from China in 2004 through 2007, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SPECTER:

S. 740. A bill to amend the Internal Revenue Code of 1986 to expand the homebuyer tax credit, and for other purposes; to the Committee on Finance.

By Mr. SPECTER:

S. 741. A bill to amend the Internal Revenue Code of 1986 to impose a flat tax only on individual taxable earned income and business taxable income, and for other purposes; to the Committee on Finance.

By Mr. CHAMBLISS (for himself, Mr. ISAKSON, and Mr. PRYOR):

S. 742. A bill to expand the boundary of the Jimmy Carter National Historic Site in the State of Georgia, to redesignate the unit as a National Historical Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. UDALL of New Mexico:

S. 743. A bill to require air carriers to provide training for flight attendants and gate attendants regarding serving alcohol, recognizing intoxicated passengers, and dealing with disruptive passengers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BURR (for himself, Mrs. BOXER, Ms. MURKOWSKI, Mr. HATCH, Mrs. SHAHEEN, Mr. INHOFE, Mr. WICKER, Mr. ROBERTS, and Mr. COCHRAN):

S. Res. 89. A resolution expressing support for designation of a ''Welcome Home Vietnam Veterans Day''; considered and agreed to.

By Mr. KERRY (for himself, Mr. LUGAR, Mr. DODD, Mr. MENENDEZ, and Mr. NELSON of Florida):

S. Res. 90. A resolution expressing the sense of the Senate regarding the Fifth Summit of the Americas, held in Port of Spain, Trinidad and Tobago, April 17, 18, and 19, 2009; to the Committee on Foreign Relations.

By Mr. NELSON of Florida (for himself and Ms. LANDRIEU):

S. Res. 91. A resolution calling on the Consumer Product Safety Commission, the Secretary of the Treasury, and the Secretary of Housing and Urban Development to take action on issues relating to drywall imported from China; to the Committee on Commerce, Science, and Transportation.

By Mrs. LINCOLN (for herself and Mr. BARRASSO):

S. Con. Res. 14. A concurrent resolution supporting the Local Radio Freedom Act; to the Committee on Commerce, Science, and Transportation.

ADDITIONAL COSPONSORS

S. 42

At the request of Mr. ENSIGN, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 42, a bill to amend title II of the Social Security Act to preserve and protect Social Security benefits of American workers and to help ensure greater congressional oversight of the Social Security system by requiring that both Houses of Congress approve a totalization agreement before the agreement, giving foreign workers Social Security benefits, can go into effect.

S. 146

At the request of Mr. KOHL, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was withdrawn as a cosponsor of S. 146, a bill to amend the Federal antitrust laws to provide expanded coverage and to eliminate exemptions from such laws that are contrary to the public interest with respect to railroads.

At the request of Mr. KOHL, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 146, supra.

S. 148

At the request of Mr. KOHL, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 148, a bill to restore the rule that agreements between manufacturers and retailers, distributors, or wholesalers to set the minimum price below which the manufacturer's product or service cannot be sold violates the Sherman Act.

S. 253

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 253, a bill to amend the Internal Revenue Code of 1986 to expand the application of the homebuyer credit, and for other purposes.

S. 254

At the request of Mrs. LINCOLN, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 254, a bill to amend title XVIII of the Social Security Act to provide for the coverage of home infusion therapy under the Medicare Program.

S. 372

At the request of Mr. AKAKA, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 372, a bill to amend chapter 23 of title 5, United States Code, to clarify the disclosures of information protected from prohibited personnel practices, require a statement in nondisclosure policies, forms, and agreements that such policies, forms, and agreements conform with certain disclosure protections, provide certain authority for the Special Counsel, and for other purposes.

S. 388

At the request of Ms. MIKULSKI, the name of the Senator from Virginia (Mr. WEBB) was added as a cosponsor of S. 388, a bill to extend the termination date for the exemption of returning workers from the numerical limitations for temporary workers.

S. 414

At the request of Mr. DODD, the name of the Senator from Colorado (Mr. UDALL) was added as a cosponsor of S. 414, a bill to amend the Consumer Credit Protection Act, to ban abusive credit practices, enhance consumer disclosures, protect underage consumers, and for other purposes.

S. 423

At the request of Mr. AKAKA, the names of the Senator from Georgia (Mr. CHAMBLISS) and the Senator from North Carolina (Mrs. HAGAN) were added as cosponsors of S. 423, a bill to amend title 38, United States Code, to authorize advance appropriations for certain medical care accounts of the Department of Veterans Affairs by providing two-fiscal year budget authority, and for other purposes.

S. 428

At the request of Mr. DORGAN, the name of the Senator from Colorado (Mr. BENNET) was withdrawn as a cosponsor of S. 428, a bill to allow travel between the United States and Cuba.

At the request of Mr. DORGAN, the names of the Senator from Idaho (Mr. CRAPO), the Senator from Washington (Ms. CANTWELL) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 428, supra.

S. 448

At the request of Mr. SPECTER, the names of the Senator from Washington (Mrs. MURRAY) and the Senator from Minnesota (Ms. KLOBUCHAR) were added as cosponsors of S. 448, a bill to maintain the free flow of information to the public by providing conditions for the federally compelled disclosure of information by certain persons connected with the news media.

S. 455

At the request of Mr. ROBERTS, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 455, a bill to require the Secretary of the Treasury to mint coins in recognition of 5 United States Army Five-Star Generals, George Marshall, Douglas MacArthur, Dwight Eisenhower, Henry ''Hap'' Arnold, and Omar Bradley, alumni of the United States Army Command and General Staff College, Fort Leavenworth, Kansas, to coincide with the celebration of the 132nd Anniversary of the founding of the United States Army Command and General Staff College.

S. 469

At the request of Mr. VOINOVICH, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 469, a bill to amend chapter 83 of title 5, United States Code, to modify the computation for part-time service under the Civil Service Retirement System.

S. 473

At the request of Mr. DURBIN, the names of the Senator from California (Mrs. BOXER) and the Senator from Illinois (Mr. BURRIS) were added as cosponsors of S. 473, a bill to establish the Senator Paul Simon Study Abroad Foundation.

S. 475

At the request of Mr. BURR, the names of the Senator from Indiana (Mr. BAYH), the Senator from Ohio (Mr. BROWN) and the Senator from Alaska (Mr. BEGICH) were added as cosponsors of S. 475, a bill to amend the Servicemembers Civil Relief Act to guarantee the equity of spouses of military personnel with regard to matters of residency, and for other purposes.

S. 478

At the request of Mr. DEMINT, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 478, a bill to amend the National Labor Relations Act to ensure the right of employees to a secret-ballot election conducted by the National Labor Relations Board.

S. 486

At the request of Mr. SANDERS, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 486, a bill to achieve access to comprehensive primary health care services for all Americans and to reform the organization of primary care delivery through an expansion of the Community Health Center and National Health Service Corps programs.

S. 496

At the request of Ms. CANTWELL, the names of the Senator from Alaska (Ms. MURKOWSKI) and the Senator from South Carolina (Mr. GRAHAM) were added as cosponsors of S. 496, a bill to provide duty-free treatment for certain goods from designated Reconstruction Opportunity Zones in Afghanistan and Pakistan, and for other purposes.

S. 503

At the request of Ms. MURKOWSKI, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 503, a bill to authorize the exploration, leasing, development, and production of oil and gas in and from the western portion of the Coastal Plain of the State of Alaska without surface occupancy, and for other purposes.

S. 511

At the request of Mr. BROWNBACK, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 511, a bill to amend part B of title XVIII of the Social Security Act to provide for an exemption of pharmacies and pharmacists from certain Medicare accreditation requirements in the same manner as such exemption applies to certain professionals.

S. 535

At the request of Mr. NELSON of Florida, the names of the Senator from Virginia (Mr. WEBB) and the Senator from Delaware (Mr. KAUFMAN) were added as cosponsors of S. 535, a bill to amend title 10, United States Code, to repeal requirement for reduction of survivor annuities under the Survivor Benefit Plan by veterans' dependency and indemnity compensation, and for other purposes.

S. 599

At the request of Mr. CARPER, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 599, a bill to amend chapter 81 of title 5, United States Code, to create a presumption that a disability or death of a Federal employee in fire protection activities caused by any certain diseases is the result of the performance of such employee's duty.

S. 614

At the request of Mrs. HUTCHISON, the names of the Senator from Tennessee (Mr. ALEXANDER), the Senator from Alaska (Mr. BEGICH) and the Senator from Texas (Mr. CORNYN) were added as cosponsors of S. 614, a bill to award a Congressional Gold Medal to the Women Airforce Service Pilots (''WASP'').

S. 632

At the request of Mr. BAUCUS, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 632, a bill to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly.

S. 643

At the request of Mr. LAUTENBERG, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 643, a bill to amend title I of the Employee Retirement Income Security Act of 1974, title XXVII of the Public Health Service Act, and the Internal Revenue Code of 1986 to prohibit preexisting condition exclusions for children in group health plans and health insurance coverage in the group and individual markets.

S. 651

At the request of Mr. BAUCUS, the names of the Senator from Maryland (Ms. MIKULSKI), the Senator from California (Mrs. BOXER) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 651, a bill to amend the Internal Revenue Code of 1986 to impose an excise tax on excessive bonuses paid by, and received from, companies receiving Federal emergency economic assistance, to limit the amount of nonqualified deferred compensation that employees of such companies may defer from taxation, and for other purposes.

S. 653

At the request of Mr. CARDIN, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 653, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the writing of the Star-Spangled Banner, and for other purposes.

S. 654

At the request of Mr. BUNNING, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 654, a bill to amend title XIX of the Social Security Act to cover physician services delivered by podiatric physicians to ensure access by Medicaid beneficiaries to appropriate quality foot and ankle care.

S. 677

At the request of Mr. ENSIGN, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 677, a bill to amend title XVIII of the Social Security Act to require wealthy beneficiaries to pay a greater share of their premiums under the Medicare prescription drug program.

S. 708

At the request of Mr. AKAKA, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 708, a bill to express the policy of the United States regarding the United States relationship with Native Hawaiians, to provide a process for the reorganization of a Native Hawaiian government and the recognition by the United States of the Native Hawaiian government, and for other purposes.

S. 714

At the request of Mrs. HAGAN, her name was added as a cosponsor of S. 714, a bill to establish the National Criminal Justice Commission.

At the request of Mr. WEBB, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 714, supra.

S. 717

At the request of Mr. KENNEDY, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 717, a bill to modernize cancer research, increase access to preventative cancer services, provide cancer treatment and survivorship initiatives, and for other purposes.

S. 718

At the request of Mr. HARKIN, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 718, a bill to amend the Legal Services Corporation Act to meet special needs of eligible clients, provide for technology grants, improve corporate practices of the Legal Services Corporation, and for other purposes.

S. 729

At the request of Mr. DURBIN, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from California (Mrs. BOXER), the Senator from Connecticut (Mr. DODD), the Senator from Massachusetts (Mr. KERRY), the Senator from New Jersey (Mr. MENENDEZ), the Senator from

Washington (Mrs. MURRAY), the Senator from Florida (Mr. NELSON) and the Senator from Rhode Island (Mr. WHITEHOUSE) were added as cosponsors 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. CON. RES. 11

At the request of Ms. COLLINS, the names of the Senator from Florida (Mr. MARTINEZ), the Senator from Delaware (Mr. KAUFMAN), the Senator from California (Mrs. BOXER) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Con. Res. 11, a concurrent resolution condemning all forms of anti-Semitism and reaffirming the support of Congress for the mandate of the Special Envoy to Monitor and Combat Anti-Semitism, and for other purposes.

S. RES. 9

At the request of Mr. KAUFMAN, his name was added as a cosponsor of S. Res. 9, a resolution commemorating 90 years of U.S.-Polish diplomatic relations, during which Poland has proven to be an exceptionally strong partner to the United States in advancing freedom around the world.

S. RES. 20

At the request of Mr. VOINOVICH, the names of the Senator from Florida (Mr. MARTINEZ) and the Senator from Delaware (Mr. KAUFMAN) were added as cosponsors of S. Res. 20, a resolution celebrating the 60th anniversary of the North Atlantic Treaty Organization.

S. RES. 56

At the request of Mr. LUGAR, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. Res. 56, a resolution urging the Government of Moldova to ensure a fair and democratic election process for the parliamentary elections on April 5, 2009.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA (for himself, Mr. BAUCUS, and Mr. BEGICH):

S. 734. A bill to amend title 38, United States Code, to improve the capacity of the Department of Veterans Affairs to recruit and retain physicians in Health Professional Shortage Areas and to improve the provision of health care to veterans in rural areas, and for other purposes; to the Committee on Veterans' Affairs.

Mr. AKAKA. Mr. President, I am today introducing legislation to make various improvements to VA rural health care. I am pleased to be joined in this effort by Senators MAX BAUCUS and MARK BEGICH. The legislation is designed to bring more doctors into small communities; promote the use of volunteer counselors to help with mental health issues; expand telemedicine services; and create incentives for VA's community partners to provide high quality services to veterans.

As the drawdown of forces in Iraq begins, VA must be prepared to meet the health care needs of veterans upon their return.

Many veterans live in small towns and communities. This includes a large number of Guard members and Reservists who have served in such an integral role in Iraq and Afghanistan. Members of the Guard and Reserve face challenges that are different than those faced by their active duty counterparts, who return to military bases with the support of their unit and programs geared toward re-acclimating them to life outside of the combat zone. When members of the Guard or Reserves return home, they often are isolated from their units, leaving them to reintegrate back into their communities without a strong VA or DoD presence or support system.

When health care is needed, a rural community may not have providers who offer mental health services, such as group counseling, and may not be familiar with treating combat-related disorders.

I believe strongly that there is an obligation to care for all veterans in need, regardless of where they live. We must ensure that adequate resources are available to serve those who live in rural communities, and that VA works closely with local health care providers to help meet the need for care. It is critical that VA reach out to veterans living in rural communities so that they receive the care they need. Every resource must be united in the effort to care for wounded warriors, whether in a community hospital or VA clinic. When there is no VA presence in a community, VA may need to pay community providers for the reasonable costs of care.

Last month, the Committee on Veterans' Affairs held a hearing on health care for veterans in rural areas. We heard from the chief executive officer of a community hospital, from a former director of a rural health clinic, and from outreach organizations who work to bridge the gap between VA and community health care systems. These witnesses testified about how hard it is for veterans who live in rural areas to find health care in the communities where they live, and about how difficult it is for community hospitals and clinics to provide quality services with the limited resources available to them.

Committee on Veterans' Affairs staff also conducted an oversight visit to Hawaii and saw firsthand the needs of veterans living in rural communities on the neighbor islands. Many of those veterans find it hard to access VA health care because of travel restrictions and a shortage of services in their communities. Committee staff found that technology was not being used to bridge this gap; indeed, the use of telemedicine is actually declining in Hawaii.

The legislation we are introducing today would help address the needs of veterans living in rural communities in a number of ways.

First, the bill would bring more doctors to targeted communities by repaying their student loans while they work for VA. Currently, VA's loan repayment program is capped at an amount that is less than ⅓ the average cost of medical school. This bill would remove the cap, allowing VA to offer full loan repayment so as to provide a much more effective recruitment tool.

In addition, this bill would encourage VA and HHS to use the National Health Service Corps Scholarship Program to recruit physicians for VA facilities located in underserved areas. The National Health Service Corps pays for medical school up front in exchange for a doctor's agreement to work in an underserved area after graduation.

To address the shortage of mental health providers in many communities, this legislation would also allow VA to shorten the credentialing and privileging process for licensed volunteer counselors who could provide mental health services to our veterans.

The legislation would also create a pilot program to place VA doctors in community hospitals so as to enable them to provide more continuous care for veterans. Under this pilot, VA doctors working in communities without a VA hospital would be able to follow their patients when admitted to the local hospital. Participating VA doctors would earn additional compensation for assuming these responsibilities, thereby creating financial incentives for doctors to stay within VA. Since many non-VA hospitals do not have mental health providers or other providers experienced in the treatment of conditions such as post-traumatic stress disorder that disproportionately affect veterans, this would also bring needed expertise into other care communities.

This bill would also allow VA to monitor the quality of care provided in non-VA facilities. Currently, there is no way for VA to do such quality assurance in a systematic way. This bill would encourage VA's community partners to participate in quality programs like peer review, or to seek accreditation by an outside organization.

This bill also would bring new technologies to rural communities. By modifying VA's internal mechanism for distributing funds, the legislation would provide incentives for VA hospitals and clinics to use telehealth technologies. VA currently bases the distribution of funds to its facilities on workload and does not currently count all telehealth visits in a facility's workload. By requiring VA to give hospitals and clinics credit for telehealth visits, this bill will promote the natural expansion of these services to our veterans.

Finally, for those veterans who must travel by air to obtain their health care—because of their health status, geography or other barriers—this bill would allow VA to pay beneficiary travel benefits for airfare to those veterans who cannot afford it. In recognition of the cost of airfare, a different income eligibility standard from that used for ground transportation would be used in connection with reimbursement of the costs of air travel.

I urge our colleagues to work with me and the other members of the Veterans' Affairs Committee to improve access to health care for veterans who live in rural areas.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be placed in the RECORD, as follows:

S. 734

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Rural Veterans Health Care Access and Quality Act of 2009''.

SEC. 2. ENHANCEMENT OF DEPARTMENT OF VETERANS AFFAIRS EDUCATION DEBT REDUCTION PROGRAM.

(a) ENHANCED MAXIMUM ANNUAL AMOUNT.—Paragraph (1) of section 7683(d) of title 38, United States Code, is amended by striking ''$44,000'' and all that follows through ''fifth years of participation in the Program'' and inserting ''the total amount of principle and interest owed by the participant on loans referred to in subsection (a)''.

(b) NOTICE TO POTENTIAL EMPLOYEES OF ELIGIBILITY AND SELECTION FOR PARTICIPATION.—Section 7682 of such title is amended by adding at the end the following new subsection:

''(d) NOTICE TO POTENTIAL EMPLOYEES.—In each offer of employment made by the Secretary to an individual who, upon acceptance of such offer would be treated as eligible to participate in the Education Debt Reduction Program, the Secretary shall, to the maximum extent practicable, include the following:

''(1) A notice that the individual will be treated as eligible to participate in the Education Debt Reduction Program upon the individual's acceptance of such offer.

''(2) A notice of the determination of the Secretary whether or not the individual will be selected as a participant in the Education Debt Reduction Program as of the individual's acceptance of such offer.''.

(c) SELECTION OF EMPLOYEES WHO RECEIVE NOTICE OF SELECTION WITH EMPLOYMENT OFFER.—Section 7683 of such title is further amended by adding at the end the following new subsection:

''(e) SELECTION OF PARTICIPANTS.—(1) The Secretary shall select for participation in the Education Debt Reduction Program each individual eligible for participation in the Education Debt Reduction Program who—

''(A) the Secretary provided notice with an offer of employment under section 7682(d) of this title that indicated the individual would, upon the individual's acceptance of such offer of employment, be—

''(i) eligible to participate in the Education Debt Reduction Program; and

''(ii) selected to participate in the Education Debt Reduction Program; and

''(B) accepts such offer of employment.

''(2) The Secretary may select for participation in the Education Debt Reduction Program an individual eligible for participation in the Education Debt Reduction Program who is not described by subparagraphs (A) and (B) of paragraph (1).''.

SEC. 3. INCLUSION OF DEPARTMENT OF VETERANS AFFAIRS FACILITIES IN LIST OF FACILITIES ELIGIBLE FOR ASSIGNMENT OF PARTICIPANTS IN NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM.

The Secretary of Veterans Affairs shall transfer $20,000,000 from accounts of the Veterans Health Administration to the Secretary of Health and Human Services to include facilities of the Department of Veterans Affairs in the list maintained by the Health Resources and Services Administration of facilities eligible for assignment of participants in the National Health Service Corps Scholarship Program.

SEC. 4. OFFICE OF RURAL HEALTH FIVE-YEAR STRATEGIC PLAN.

(a) STRATEGIC PLAN.—Not later than 180 days after the date of the enactment of this Act, the Director of the Office of Rural Health of the Department of Veterans Affairs shall develop a five-year strategic plan for the Office of Rural Health.

(b) CONTENTS.—The plan required by subsection (a) shall include the following:

(1) Specific goals for the recruitment and retention of health care personnel in rural areas, developed in conjunction with the Director of the Health Care Retention and Recruitment Office of the Department of Veterans Affairs.

(2) Specific goals for ensuring the timeliness and quality of health care delivery in rural communities that are reliant on contract and fee basis care, developed in conjunction with the Director of the Office of Quality and Performance of the Department.

(3) Specific goals for the expansion and implementation of telemedicine services in rural areas, developed in conjunction with the Director of the Office of Care Coordination Services of the Department.

(4) Incremental milestones describing specific actions to be taken for the purpose of achieving the goals specified under paragraphs (1) through (3).

SEC. 5. ENHANCEMENT OF VET CENTERS TO MEET NEEDS OF VETERANS OF OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM.

(a) VOLUNTEER COUNSELORS.—Subsection (c) of section 1712A of title 38, United States Code, is amended—

(1) by striking ''The Under Secretary'' and inserting ''(1) The Under Secretary'';

(2) in paragraph (1), as designated by paragraph (1), by striking '', and, in carrying'' and all that follows through ''screening activities''; and

(3) by adding at the end the following new paragraphs:

''(2) In carrying out this section, the Under Secretary may utilize the services of the following:

''(A) Paraprofessionals, individuals who are volunteers working without compensation, and individuals who are veteran-students (as described in section 3485 of this title) in initial intake and screening activities.

''(B) Eligible volunteer counselors in the provision of counseling and related mental health services.

''(3) For purposes of this subsection, an eligible volunteer counselor is an individual—

''(A) who—

''(i) provides counseling services without compensation at a center;

''(ii) is a licensed psychologist or social worker;

''(iii) has never been named in a malpractice action; and

''(iv) has never had, and has no pending, disciplinary action taken with respect to any license of the individual in any State; or

''(B) who is otherwise credentialed and privileged to perform counseling services by the Secretary.

''(4) Not later than one year after the date of the enactment of the Rural Veterans Health Care Access and Quality Act of 2009, the Secretary shall establish expedited credentialing and privileging procedures for eligible volunteer counselors for the provision of counseling and related mental health services under this section.

''(5) For each application received by the Secretary for credentialing and privileging of an eligible volunteer counselor under this subsection, the Secretary shall complete the credentialing and privileging process for such volunteer not later than 60 days after receiving such application.''.

(b) OUTREACH.—Subsection (e) of such section is amended—

(1) by striking ''The Secretary'' and inserting ''(1) The Secretary''; and

(2) by adding at the end the following new paragraph:

''(2) Each center shall develop an outreach plan to ensure that the community served by the center is aware of the services offered by the center.''.

SEC. 6. TELECONSULTATION AND TELEMEDICINE.

(a) TELECONSULTATION AND TELERETINAL IMAGING.—

(1) IN GENERAL.—Subchapter I of chapter 17 of title 38, United States Code, is amended by adding at the end the following new section:

''§ 1709. Teleconsultation and teleretinal imaging

''(a) TELECONSULTATION.—(1) The Secretary shall carry out a program of teleconsultation for the provision of remote mental health and traumatic brain injury assessments in facilities of the Department that are not otherwise able to provide such assessments without contracting with third party providers or reimbursing providers through a fee basis system.

''(2) The Secretary shall, in consultation with appropriate professional societies, promulgate technical and clinical care standards for the use of teleconsultation services within facilities of the Department.

''(b) TELERETINAL IMAGING.—(1) The Secretary shall carry out a program of teleretinal imaging in each Veterans Integrated Services Network (VISN).

''(2) In each fiscal year beginning with fiscal year 2010 and ending with fiscal year 2015, the Secretary shall increase the number of patients enrolled in each teleretinal imaging program under paragraph (1) by not less than five percent from the number of patients enrolled in each respective program in the previous fiscal year.

''(c) DEFINITIONS.—In this section:

''(1) The term 'teleconsultation' means the use by a health care specialist of telecommunications to assist another health care provider in rendering a diagnosis or treatment.

''(2) The term 'teleretinal imaging' means the use by a health care specialist of telecommunications, digital retinal imaging, and remote image interpretation to provide eye care.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item related to section 1708 the following new item:

''1709. Teleconsultation and teleretinal imaging.''.

(b) TRAINING IN TELEMEDICINE.—The Secretary of Veterans Affairs shall require each

Department of Veterans Affairs facility that is involved in the training of medical residents to work with each university concerned to develop an elective rotation in telemedicine for such residents.

(c) ENHANCEMENT OF VERA.—

(1) INCENTIVES FOR PROVISION OF TELECONSULTATION, TELERETINAL IMAGING, TELEMEDICINE, AND TELEHEALTH SERVICES.—The Secretary of Veterans Affairs shall modify the Veterans Equitable Resource Allocation system to provide incentives for the utilization of teleconsultation, teleretinal imaging, telemedicine, and telehealth coordination services.

(2) INCLUSION OF TELEMEDICINE VISITS IN WORKLOAD REPORTING.—The Secretary shall modify the Veterans Equitable Resource Allocation system to require the inclusion of all telemedicine visits in the calculation of facility workload.

(d) DEFINITIONS.—In this section:

(1) The terms ''teleconsultation'' and ''teleretinal imaging'' have the meanings given such terms in section 1720G of title 38, United States Code, as added by subsection (a).

(2) The term ''telemedicine'' means the use by a health care provider of telecommunications to assist in the diagnosis or treatment of a patient's medical condition.

(3) The term ''telehealth'' means the use of telecommunications to collect patient data remotely and send data to a monitoring station for interpretation.

SEC. 7. OVERSIGHT OF CONTRACT AND FEE BASIS CARE.

(a) IN GENERAL.—Subchapter I of chapter 17 of title 38, United States Code, is amended by inserting after section 1703 the following new section:

''§ 1703A. Oversight of contract and fee basis care

''(a) CONSOLIDATION OF COMMUNITY BASED OUTPATIENT CLINIC CONTRACTING.—For each Veterans Integrated Services Network (VISN), the Secretary shall, acting through the Under Secretary for Health and to the maximum extent practicable, negotiate with each party that has contracts to provide services at more than one community based outpatient clinic in such Network to consolidate such contracts.

''(b) RURAL OUTREACH COORDINATORS.—The Secretary shall designate a rural outreach coordinator at each Department community based outpatient clinic at which not less than 50 percent of the veterans enrolled at such clinic reside in a highly rural area. The coordinator at a clinic shall be responsible for coordinating care and collaborating with community contract and fee basis providers with respect to the clinic.

''(c) INCENTIVES TO OBTAIN ACCREDITATION OF MEDICAL PRACTICE.—(1) The Secretary shall adjust the fee basis compensation of providers of health care services under the Department to encourage such providers to obtain accreditation of their medical practice from recognized accrediting entities.

''(2) In making adjustments under paragraph (1), the Secretary shall consider the increased overhead costs of accreditation described in paragraph (1) and the costs of achieving and maintaining such accreditation.

''(d) INCENTIVES FOR PARTICIPATION IN PEER REVIEW.—(1) The Secretary shall adjust the fee basis compensation of providers of health care services under the Department that do not provide such services as part of a medical practice accredited by a recognized accrediting entity to encourage such providers to participate in peer review under subsection (e).

''(2) The Secretary shall provide incentives under paragraph (1) to a provider of health care services under the Department in an amount equal to the amount the Secretary would provide to such provider under subsection (c) if such provider provided such services as part of a medical practice accredited by a recognized accrediting entity.

''(e) PEER REVIEW.—(1) The Secretary shall provide for the voluntary peer review of providers of health care services under the Department who provide such services on a fee basis as part of a medical practice that is not accredited by a recognized accrediting entity.

''(2) Each year, beginning with the first fiscal year beginning after the date of the enactment of this section, the Chief Quality and Performance Officer in each Veterans Integrated Services Network (VISN) shall select a sample of patient records from each participating provider in the Officer's Veterans Integrated Services Network to be peer reviewed by a facility designated under paragraph (3).

''(3) The Chief Quality and Performance Officer in each Veterans Integrated Services Network shall designate Department facilities in such network for the peer review of patient records submitted under this subsection.

''(4) Each year, beginning with the first fiscal year beginning after the date of the enactment of this section, each provider who elects to participate in the program shall submit the patient records selected under paragraph (2) to a facility selected under paragraph (3) to be peer reviewed by such facility.

''(5) Each Department facility designated under paragraph (3) that receives patient records under paragraph (4) shall—

''(A) peer review such records in accordance with policies and procedures established by the Secretary;

''(B) ensure that peer reviews are evaluated by the Peer Review Committee; and

''(C) develop a mechanism for notifying the Under Secretary for Health of problems identified through such peer review.

''(6) The Under Secretary for Health shall develop a mechanism by which the use of fee basis providers of health care are terminated when quality of care concerns are identified.

''(7) The Chief Quality and Performance Officer in each Veterans Integrated Services Network shall be responsible for the oversight of the program in that network.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item related to section 1703 the following new item:

''1703A. Oversight of contract and fee basis care.''.

SEC. 8. TRAVEL BENEFITS FOR BENEFICIARIES IN REMOTE LOCATIONS.

(a) COVERAGE OF COST OF TRANSPORTATION BY AIR.—

(1) IN GENERAL.—Subsection (a) of section 111 of title 38, United States Code, is amended by inserting after the first sentence the following new sentence: ''Actual necessary expense of travel includes the reasonable costs of airfare if travel by air is the only practical way to reach a Department facility.''.

(2) ELIMINATION OF LIMITATION BASED ON MAXIMUM ANNUAL RATE OF PENSION.—Subsection (b)(1)(D)(i) of such section is amended by inserting ''who is not traveling by air and'' before ''whose annual''.

(3) DETERMINATION OF PRACTICALITY.—Subsection (b) of such section is amended by adding at the end the following new paragraph:

''(4) In determining for purposes of subsection (a) whether travel by air is the only practical way for a veteran to reach a Department facility, the Secretary shall consider the medical condition of the veteran and any other impediments to the use of ground transportation by the veteran.''.

(b) MILEAGE REIMBURSEMENT RATE FOR TRAVEL BY AIR.—Subsection (g)(1) of such section is amended by inserting after ''is available)'' the following: ''or the mileage reimbursement rate for airplanes if travel by airplane is the only practical method of travel''.

SEC. 9. PILOT PROGRAM ON INCENTIVES FOR PHYSICIANS WHO ASSUME INPATIENT RESPONSIBILITIES AT COMMUNITY HOSPITALS IN HEALTH PROFESSIONAL SHORTAGE AREAS.

(a) PILOT PROGRAM REQUIRED.—The Secretary of Veterans Affairs shall carry out a pilot program to assess the feasability and advisability of each of the following:

(1) The provision of financial incentives to eligible physicians who obtain and maintain inpatient privileges at community hospitals in health professional shortage areas in order to facilitate the provision by such physicians of primary care and mental health services to veterans at such hospitals.

(2) The collection of payments from third-party providers for care provided by eligible physicians to non-veterans while discharging inpatient responsibilities at community hospitals in the course of exercising the privileges described in paragraph (1).

(b) ELIGIBLE PHYSICIANS.—For purposes of this section, an eligible physician is a primary care or mental health physician employed by the Department of Veterans Affairs on a full-time basis.

(c) DURATION OF PROGRAM.—The pilot program shall be carried out during the three-year period beginning on the date of the commencement of the pilot program.

(d) LOCATIONS.—

(1) IN GENERAL.—The pilot program shall be carried out at not less than five community hospitals in each of not less than two Veterans Integrated Services Networks (VISNs). The hospitals shall be selected by the Secretary utilizing the results of the survey required under subsection (e).

(2) QUALIFYING COMMUNITY HOSPITALS.—A community hospital may be selected by the Secretary as a location for the pilot program if—

(A) the hospital is located in a health professional shortage area; and

(B) the number of eligible physicians willing to assume inpatient responsibilities at the hospital (as determined utilizing the result of the survey) is sufficient for purposes of the pilot program.

(e) SURVEY OF PHYSICIAN INTEREST IN PARTICIPATION.—

(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall conduct a survey of eligible physicians to determine the extent of the interest of such physicians in participating in the pilot program.

(2) ELEMENTS.—The survey shall disclose the type, amount, and nature of the financial incentives to be provided under subsection (h) to physicians participating in the pilot program.

(f) PHYSICIAN PARTICIPATION.—

(1) IN GENERAL.—The Secretary shall select physicians for participation in the pilot program from among eligible physicians who—

(A) express interest in participating in the pilot program in the survey conducted under subsection (e);

(B) are in good standing with the Department; and

(C) primarily have clinical responsibilities with the Department.

(2) VOLUNTARY PARTICIPATION.—Participation in the pilot program shall be voluntary. Nothing in this section shall be construed to

require a physician working for the Department to assume inpatient responsibilities at a community hospital unless otherwise required as a term or condition of employment with the Department.

(g) ASSUMPTION OF INPATIENT PHYSICIAN RESPONSIBILITIES.—

(1) IN GENERAL.—Each eligible physician selected for participation in the pilot program shall assume and maintain inpatient responsibilities, including inpatient responsibilities with respect to non-veterans, at one or more community hospitals selected by the Secretary for participation in the pilot program under subsection (d).

(2) COVERAGE UNDER FEDERAL TORT CLAIMS ACT.—If an eligible physician participating in the pilot program carries out on-call responsibilities at a community hospital where privileges to practice at such hospital are conditioned upon the provision of services to individuals who are not veterans while the physician is on call for such hospital, the provision of such services by the physician shall be considered an action within the scope fo the physician's office or employment for purposes of chapter 171 of title 28, United States Code (commonly referred to as the ''Federal Tort Claims Act'').

(h) COMPENSATION.—

(1) IN GENERAL.—The Secretary shall provide each eligible physician participating in the pilot program with such compensation (including pay and other appropriate compensation) as the Secretary considers appropriate to compensate such physician for the discharge of any inpatient responsibilities by such physician at a community hospital for which such physician would not otherwise be compensated by the Department as a full-time employee of the Department.

(2) WRITTEN AGREEMENT.—The amount of any compensation to be provided a physician under the pilot program shall be specified in a written agreement entered into by the Secretary and the physician for purposes of the pilot program.

(3) TREATMENT OF COMPENSATION.—The Secretary shall consult with the Director of the Office of Personnel Management on the inclusion of a provision in the written agreement required under paragraph (2) that describes the treatment under Federal law of any compensation provided a physician under the pilot program, including treatment for purposes of retirement under the civil service laws.

(i) COLLECTIONS FROM THIRD PARTIES.—In carrying out the pilot program for the purpose described in subsection (a)(2), the Secretary shall implement a variety and range of requirements and mechanisms for the collection from third-party payors of amounts to reimburse the Department for health care services provided to non-veterans under the pilot program by eligible physicians discharging inpatient responsibilities under the pilot program.

(j) INPATIENT RESPONSIBILITIES DEFINED.—In this section, the term ''inpatient responsibilities'' means on-call responsibilities customarily required of a physician by community hospital as a condition of granting privileges to the physician to practice in the hospital.

(k) REPORT.—Not later than one year after the date of the enactment of this Act and annually thereafter, the Secretary shall submit to Congress a report on the pilot program, including the following:

(1) The findings of the Secretary with respect to the pilot program.

(2) The number of veterans and non-veterans provided inpatient care by physicians participating in the pilot program.

(3) The amounts collected and payable under subsection (i).

(l) HEALTH PROFESSIONAL SHORTAGE AREA DEFINED.—In this section, the term ''health professional shortage area'' has the meaning given the term in section 332(a) of the Public Health Service Act (42 U.S.C. 254e(a)).

By Mr. AKAKA (for himself and Mr. VOINOVICH):

S. 736. A bill to provide for improvements in the Federal hiring process and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mr. AKAKA. Mr. President, today I introduce the Federal Hiring Process Improvement Act to help agencies fix the broken recruitment and hiring process in the Federal Government. I am pleased to be joined by my good friend Senator VOINOVICH in this effort.

The Federal Government is the largest employer in the U.S., but every day talented people interested in Federal service walk away because the hiring process is longer and more complicated than that of other employers. Too many Federal agencies have built entry barriers for new workers, done too little to recruit the right candidates, and invented an evaluation process that discourages qualified candidates.

In the private sector, many employers post job vacancies through a variety of online and other venues and require only a resume and cover letter to apply. Applying to the federal government should be similarly accessible and easy. However, agencies often require substantial essays and other documentation at the initial application stage.

Agencies need to adapt, just as the private sector has, to take advantage of modern technology to boost recruitment efforts and streamline the hiring process to make it more user friendly. Inexpensive outlets such as social networking sites offer agencies an opportunity to expand their profile and post job opportunities without emptying their wallets. It is easier than it was in the past to submit and track application materials during the application process. Agencies should accept candidate-friendly applications such as resumes and cover letters for the initial application and ask for additional information only as needed. Likewise, technology makes it possible to provide automated information to candidates, so candidates should receive timely and informative feedback about the application process.

Additionally, more employees with advanced and technical skills are needed in the modern federal workforce, so more pipelines into colleges and technical schools need to be developed to recruit candidates from diverse backgrounds.

Last year, I chaired a hearing of the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, where witnesses testified to the need for reforms in the hiring process. The Government Accountability Office testified to the broad failures of agencies to address such problems as passive recruitment strategies, unclear job vacancy announcements, and imprecise candidate assessment tools. Witnesses testified that young people are greatly interested in Federal Government service, but agencies need to meet them where they are. Developing broader recruitment strategies, using online resources and streamlining the hiring process are essential to attracting the next generation of Federal employees.

In response to the hearing, the Office of Personnel Management, OPM, developed the End-to-End Hiring Roadmap initiative that provides agencies a streamlined 80-day model from the time a manager seeks to fill a position to the time an offer is made. This initiative addresses strategic workforce planning, targeted recruitment, clear job announcements, and hiring flexibilities. The initiative also advocates accepting resumes and cover letters over the lengthy and onerous knowledge, skills, and abilities essays, KSAs, required for many Federal jobs.

This initiative includes many positive steps, but many agencies are not adopting them. OPM does not have the authority to require agencies to do so. Congress must step in.

The Federal Hiring Process Improvement Act requires agencies to develop strategic workforce plans, including hiring projections and critical skills gaps analyses of the workforce; post brief, clear job announcements in plain writing; Allow submission of resumes and cover letters and no longer require KSAs; provide timely notification to applicants of the status of their application; take no more than 80 days from the time a manager decides to fill a vacancy to the time an offer is made; keep an inventory of all applicants who elect to be considered for other Federal vacancies; and measure the effectiveness of hiring efforts and reforms.

Agencies must make reforming the recruitment and hiring process a top priority, and this bill furthers the discussion. The Federal Hiring Process Improvement Act will require agencies to abandon their stale recruitment and hiring processes and develop streamlined hiring practices that attract high-quality candidates. The future of the Federal workforce is depending on it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 736

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Federal Hiring Process Improvement Act of 2009''.

SEC. 2. DEFINITION.

In this Act, the term ''agency''—

(1) means an Executive agency as defined under section 105 of title 5, United States Code; and

(2) shall not include the Government Accountability Office.

SEC. 3. STRATEGIC WORKFORCE PLAN.

(a) IN GENERAL.—

(1) DEVELOPMENT OF PLAN.—Not later than 180 days after the date of enactment of this Act and in every subsequent year, the head of each agency, in consultation with the Chief Human Capital Officers Council, shall develop a strategic workforce plan as part of the agency performance plan required under section 1115 of title 31, United States Code, to include—

(A) hiring projections, including occupation and grade level;

(B) long-term and short-term strategic human capital planning to address critical skills deficiencies;

(C) recruitment strategies to attract highly qualified candidates from diverse backgrounds; and

(D) streamlining the hiring process to conform with the provisions in this Act.

(2) INCLUSION IN PERFORMANCE PLAN.—Section 1115(a) of title 31, United States Code, is amended—

(A) in paragraph (5), by striking ''and'' after the semicolon;

(B) in paragraph (6), by striking the period and inserting ''and''; and

(C) by adding at the end the following:

''(7) include the strategic workforce plan developed under section 3 of the Federal Hiring Process Improvement Act of 2009.''.

(b) HIRING PROJECTIONS.—Agencies shall make hiring projections made under strategic workforce plans available to the public.

(c) SUBMISSION TO THE OFFICE OF PERSONNEL MANAGEMENT.—Each agency strategic workforce plan shall be submitted to the Office of Personnel Management.

SEC. 4. FEDERAL JOB VACANCY ANNOUNCEMENTS.

(a) TARGETED ANNOUNCEMENTS.—In consultation with the Chief Human Capital Officers Council, the head of each agency shall—

(1) take steps necessary to target highly qualified applicant pools with diverse backgrounds before posting job announcements;

(2) clearly and prominently display job announcements in strategic locations convenient to such targeted applicant pools; and

(3) seek to develop relationships with targeted applicant pools to develop regular pipelines for high-quality applicants.

(b) PUBLIC NOTICE REQUIREMENTS.—The requirements of subsection (a) shall not supersede public notice requirements.

(c) PLAIN WRITING REQUIREMENT.—

(1) DEFINITION.—In this subsection, the term ''plain writing'' means writing that the intended audience can readily understand and use because that writing is clear, concise, well-organized, and follows other best practices of plain writing.

(2) REQUIREMENT.—Not later than 180 days after the date of enactment of this Act, all Federal job announcements for competitive positions shall be written in plain writing.

SEC. 5. APPLICATION PROCESS AND NOTIFICATION REQUIREMENTS.

(a) APPLICATION PROCESS.—Not later than 180 days after the date of enactment of this Act and in consultation with the Chief Human Capital Officers Council, the head of each agency shall develop processes to—

(1) ensure that vacancy announcements are open for a reasonable period of time as determined by the head of the agency to allow targeted, highly qualified applicants from diverse backgrounds time to submit an application;

(2) ensure that vacancy announcements include contact information for applicants who seek further information about the announcement;

(3) review and revise the hiring process of the agency to create a streamlined and timely system for hiring decisions;

(4) allow applicants to submit a cover letter, resume, and answers to brief questions, such as questions relating to United States citizenship and veterans status, to complete an application;

(5) allow applicants to submit application materials in a variety of formats, including word processing documents and portable document format;

(6) not require any applicant to provide a Social Security number or any other personal identifying information unnecessary for the initial review of an applicant for a position;

(7) not require lengthy writing requirements such as knowledge, skills, and ability essays as part of an initial application;

(8) not require the submission of additional material in support of an application, such as educational transcript, proof of veterans status, and professional certifications, unless necessary to complete the application process;

(9) ensure that applicants are given a reasonable amount of time after the closing date of the job announcement to provide additional necessary information; and

(10) include the hiring manager in all parts of the application process, including—

(A) targeted recruitment;

(B) drafting the job announcement;

(C) review of the initial applications;

(D) interviewing the applicants; and

(E) the final decisionmaking process.

(b) NOTIFICATION REQUIREMENTS.—

(1) IN GENERAL.—In consultation with the Chief Human Capital Officers Council, the head of each agency shall develop mechanisms under which each applicant for a Federal job vacancy shall receive timely notification of the status of their applications or provide the applicant the ability to check on the status of their applications.

(2) CONTENTS OF NOTIFICATION.—A notification to an applicant under this subsection shall include—

(A) notice of receipt of an application not later than 5 business days after the application was received by the employing agency;

(B) an explanation of the hiring process and an estimated timeline of the next actions in the process;

(C) notice the qualification and status of an applicant after all applications for the applicable position have been initially reviewed and ranked;

(D) notice of the qualifications and status of the applicant after all interviews for the applicable position are completed;

(E) for all applicants selected for an interview, notice of the ongoing process if selected, including the process for any needed security clearance or suitability review, not later than the date of the interview; and

(F) notice to nonaccepted applicants that the applicable position is not open not later than 10 business days after the date on which—

(i) the selected candidate has accepted an offer of employment; or

(ii) the job announcement has been cancelled.

SEC. 6. APPLICANT INVENTORY.

(a) IN GENERAL.—Section 3330 of title 5, United States Code, is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

''(e)(1) The Office of Personnel Management shall establish and keep current a comprehensive inventory of individuals seeking employment in the Federal Government.

''(2) The inventory under this subsection shall—

''(A) be made available to agencies for use in filling vacancies;

''(B) contain information voluntarily provided by applicants for employment, including—

''(i) the resume and contact information provided by the applicant; and

''(ii) any other information which the Office considers appropriate;

''(C) retain information for no longer than 1 calendar year;

''(D) not include information relating to—

''(i) the application of the applicant for a specific vacancy announcement; or

''(ii) any other information relating to vacancy announcements; and

''(E) shall provide for a mechanism to allow—

''(i) applicants to update resume contact information; and

''(ii) agency officials to search information in the inventory by agency and job classification.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 180 days after the date of enactment of this Act.

SEC. 7. TRAINING.

Not later than 120 days after the date of enactment of this Act—

(1) in consultation with the Chief Human Capital Officers Council, the Office of Personnel Management shall develop and notify agencies of a training program for human resources professionals to implement the requirements of this Act; and

(2) each agency shall develop and submit to the Office of Personnel Management a plan to implement the training program.

SEC. 8. REDUCTION IN THE LENGTH OF THE HIRING PROCESS.

(a) AGENCY PLANS.—In consultation with the Chief Human Capital Officers Council, the head of each agency shall develop a plan to reduce the length of the hiring process.

(b) REQUIREMENTS.—To the extent practical, the plan shall require that each agency fill identified vacancies not later than an average of 80 calendar days after the date of identification of the vacancy.

(c) REPORTS.—Each agency shall submit an annual report to Congress on the period of time required to fill each vacancy, and whether vacancies are cancelled or reopened.

SEC. 9. MEASURES OF FEDERAL HIRING EFFECTIVENESS.

(a) IN GENERAL.—Each agency shall measure and collect information on indicators of hiring effectiveness with respect to the following:

(1) RECRUITING AND HIRING.—

(A) Ability to reach and recruit well-qualified talent from diverse talent pools.

(B) Use and impact of special hiring authorities and flexibilities to recruit most qualified applicants.

(C) Use and impact of special hiring authorities and flexibilities to recruit diverse candidates, including veteran, minority, and disabled candidates.

(D) The age, educational level, and source of applicants.

(E) Length of time between the time a position is advertised and the time a first offer of employment is made.

(F) Length of time between the time a first offer of employment for a position is made and the time a new hire starts in that position.

(G) Number of internal and external applicants for Federal positions.

(2) HIRING MANAGER ASSESSMENT.—

(A) Manager satisfaction with the quality of new hires.

(B) Manager satisfaction with the match between the skills of newly hired individuals and the needs of the agency.

(C) Manager satisfaction with the hiring process and hiring outcomes.

(D) Mission-critical deficiencies closed by new hires and the connection between mission-critical deficiencies and annual agency performance.

(3) APPLICANT ASSESSMENT.—Applicant satisfaction with the hiring process (including clarity of job announcement, reasons for withdrawal of application should that apply, user-friendliness of the application process, communication regarding status of application, and timeliness of hiring decision).

(4) NEW HIRE ASSESSMENT.—

(A) New hire satisfaction with the hiring process (including clarity of job announcement, user-friendliness of the application process, communication regarding status of application, and timeliness of hiring decision).

(B) Satisfaction with the onboarding experience (including timeliness of onboarding after the hiring decision, welcoming and orientation processes, and being provided with timely and useful new employee information and assistance).

(C) New hire attrition.

(D) Investment in training and development for employees during their first year of employment.

(E) Other indicators and measures as required by the Office of Personnel Management.

(b) REPORTS.—

(1) IN GENERAL.—Each agency shall submit an annual report of the information collected under subsection (a) to the Office of Personnel Management.

(2) AVAILABILITY OF RECRUITING AND HIRING INFORMATION.—Each year the Office of Personnel Management shall provide the information under subsection (c)(1) in a consistent format to allow for a comparison of hiring effectiveness and experience across demographic groups and agencies to—

(A) Congress before that information is made publicly available; and

(B) the public on the website of the Office.

(c) REGULATIONS.—Not later than 180 days of the date of enactment of this Act, the Office of Personnel Management shall prescribe regulations directing the methodology, timing, and reporting of the data described in subsection (a).

SEC. 10. REGULATIONS.

(a) IN GENERAL.—Except as provided under section 9(c), not later than 120 days after the date of enactment of this Act, the Director of the Office of Personnel Management shall prescribe regulations as necessary to carry out this Act.

(b) CONSULTATION.—The Director of the Office of Personnel Management shall consult the Chief Human Capital Officers Council in the development of regulations under this section.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary for the Office of Personnel Management to carry out this Act for fiscal year 2009 and for each subsequent fiscal year.

Mr. VOINOVICH. Mr. President, I am pleased to join my good friend and partner in Federal workforce issues, Senator DANIEL K. AKAKA, to introduce the Federal Hiring Process Improvement Act of 2009.

When we discuss hiring, we discuss a process that affects every individual employed by the government today. Making the right hiring decisions affects the current workforce's ability to continue doing their jobs. It also is the same process these employees must go through when pursuing new opportunities within the Government, including promotions.

Additionally, we need to convey to the thousands of men and women at all stages of their career that the Federal Government is more than just an employer, but a place where Americans can utilize and grow their skills in service to their Nation.

As the old cliché goes, ''You never get a second chance to make a first impression.'' We need to convey to these Americans that the Federal Government wants them. If we do not, someone else will.

The Baby Boomers are retiring at a time when needs and demands on Government continue to grow. The Office of Personnel Management has identified certain areas of critical hiring importance: air traffic controllers, border patrol officers, engineers, food inspectors, human resources specialists, nurses, visa examiners, patent examiners, scientists, veterinarians, accountants, and acquisition professionals. In addition, the Partnership for Public Service has estimated the Federal Government will lose approximately 530,000 employees over the next 5 years, including many mission critical jobs.

We know the challenges confronting the Federal Government. Now we must make sure our processes result in hiring the right person, at the right place, at the right time, to get the job done.

Over and over, we hear of the problems in the Federal hiring process. It takes too long; it is too burdensome, and so forth. The quality of technology has improved, but our processes have not. This does nothing to dispel any preconceived notions that the Federal Government is nothing but a bureaucratic system.

Accordingly, Senator AKAKA and I are introducing legislation to streamline the hiring process. The Federal Hiring Process Improvement Act brings together commonsense solutions to a government-wide management challenge. Our legislation would require job announcements to be written in plain language; guarantee agencies provide feedback to applicants at a minimum of four key points during the process; and ensure individual hiring decisions are made within 80 days or less. In addition, our legislation would require agencies to improve their workforce planning and make hiring projections available to the public.

Too often, we have heard that processes exist for what I believe to be unacceptable reasons, such as, that is how it always has been done. But to be an employer of choice, the government must understand what the competition is doing and adapt to the changing environment. This legislation is an important first step in meeting that goal.

By Ms. COLLINS (for herself and Mr. UDALL of Colorado):

S. 737. A bill to amend the Energy Independence and Security Act of 2007 to authorize the Secretary of Energy to conduct research, development, and demonstration to make biofuels more compatible with small nonroad engines, and for other purposes; to the Committee on Energy and Natural Resources.

Ms. COLLINS. Mr. President, today I, along with Senator UDALL of Colorado, am introducing legislation that would amend the Energy Independence and Security Act of 2007 to expand on a research, development, and demonstration program, authorized in that bill, to include efforts to make biofuels more compatible with small non-road engines.

The Energy Independence and Security Act of 2007, directed the Secretary of the Department of Energy, DOE, in coordination with the Secretary of the Department of Transportation, DOT, and in consultation with the Administrator of the Environmental Protection Agency, EPA, to carry out a program of research and development regarding the impact that biofuels, like ethanol, may have on existing fuel storage and delivery infrastructure used for petroleum-based fuels. It is critical that these biofuels also are safe to use in operating small non-road engines. My bill requires these agencies to expand their research program to include small engines such as those in snowmobiles, boats, lawnmowers, and chainsaws.

Previous testing done through DOE shows that increased ethanol content in smaller engines creates a leaner burning mixture, which may increase idle speed on some small engines, creating unanticipated clutch engagement on equipment such as chainsaws and handheld trimmers. Also, ethanol is more corrosive and less efficient than traditional gasoline blends. During these difficult economic times, equipment damage due to ethanol-gasoline fuel blends only adds to the many challenges facing Maine's farmers, fishermen, independent woodsmen, and recreational industry.

As we pursue strategies to lessen our dependence on foreign oil, we must also take action to ensure that ethanol fuel blends are safe and efficient for small engines. I urge my colleagues to support this important legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BIOFUELS DISTRIBUTION AND ADVANCED BIOFUELS INFRASTRUCTURE.

Section 248 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17054) is amended—

(1) in subsection (a), by striking ''and new alternative distribution infrastructure'' and inserting '', new alternative distribution infrastructure, and effects on small engines''; and

(2) in subsection (b)—

(A) in paragraph (8), by striking ''and'' after the semicolon at the end;

(B) by redesignating paragraph (9) as paragraph (10); and

(C) by inserting after paragraph (8) the following:

''(9) problems associated with the use of biofuels in small nonroad engines; and''.

By Mr. SPECTER:

S. 740. A bill to amend the Internal Revenue Code of 1986 to expand the homebuyer tax credit, and for other purposes; to the Committee on Finance.

Mr. SPECTER. Mr. President, I have sought recognition to introduce legislation to further expand the home buyer tax credit.

A robust home buyer tax credit will spur consumer demand and help to stop the fall in home values, which continues to affect millions of Americans. This decline is destroying the savings and net worth of Americans, whose homes are their most valuable asset. Many now have mortgages that exceed the value of their homes.

The Housing and Economic Recovery Act of 2008 created a tax credit for first-time home buyers of $7,500 through June of 2009. However, taxpayers were required to repay the tax credit in equal installments over 15 years, which greatly reduced its effectiveness. The 2009 Stimulus bill waived the repayment requirement for purchases made in 2009, increased the value of the credit to $8,000, and extended eligibility for purchases made through November of 2009.

Further improvements are necessary, in my judgment, to bring about a recovery in the housing market that will ultimately contribute to the turnaround of the broader economy. First, this bill would amend the Stimulus bill and raise the value to $15,000, or 10 percent of the value of the home, whichever is less.

Second, this bill would make the home buyer tax credit available to any individual who purchases a home, not just first-time home buyers. Doing so would stimulate demand for the entire range of homes on the market.

Finally, this bill would remove the income eligibility threshold. Again, doing so would stimulate demand for the entire range of homes on the market. Currently, the credit is reduced for individuals with modified adjusted gross income, AGI, of more than $75,000, $150,000 for joint filers, and is zero for those individuals with modified AGI in excess of $95,000, $170,000 for joint filers.

The need for a robust home buyer tax credit is clear. According to the National Association of Realtors, pending home sales hit a record low in January 2009. The Pending Home Sales Index, which measures the number of sales contracts signed each month, fell 7.7 percent to 80.4, the lowest mark since 2001 when tracking began.

At the same time, the housing affordability index rose 13.6 percentage points to a record high of 166.8. A value of 100 means that a family with the country's median income has exactly enough income to qualify for a mortgage on a median-priced existing single-family home. The higher the index, the better housing affordability is for buyers.

These two figures, taken together, demonstrate that a robust home buyer tax credit is needed to spur demand from Americans that are hesitant to buy homes for fear that prices will not stabilize.

Recent reports indicate a 13-month supply of unsold new homes, compared with a 4-month supply under more normal circumstances. Add to that a continually increasing number of foreclosed homes. According to the RealtyTrac 2008 Year-End Foreclosure Market Report, a total of 3.2 million foreclosure filings—default notices, auction sale notices and bank repossessions—were reported on 2.3 million U.S. properties during 2008, an 81 percent increase in total properties from 2007 and a 225 percent increase in total properties from 2006.

Jobs across all industries have been lost as a result of the housing crisis. According to a March 2, 2009, op-ed in the Washington Post by Robert J. Samuelson, ''Since late 2007, housing-related jobs—carpenters, real estate agents, appraisers—have dropped by 1 million, a quarter of all lost jobs.''

I applaud the efforts of Senator JOHNNY ISAKSON, who has been the leader on this issue in the Senate. I cosponsored his legislation in the 110th Congress to create a home buyer tax credit. In the 111th Congress, I supported his amendment to the Stimulus bill to make improvements to the credit and I have decided to join him as a cosponsor of S. 253, which seeks to make further improvements.

The bill I am introducing is different from S. 253 in three main ways. First, my bill would improve the home buyer credit using the 2009 Stimulus bill as a starting point. Second, my bill would increase the value of the credit to $15,000, or 10 percent of the home value, whichever is less, whereas S. 253 would increase the credit amount to 10 percent of the home price capped at 3.5 percent of Federal Housing Administration loan limits. These limits are geographically dependent and would yield a credit ranging between approximately $10,000 and $22,000. Finally, my bill would remove income limitations on the credit, whereas S. 253 limits the credit for individuals earning up to $125,000, or $250,000 in the case of a joint return.

I believe it is important for both bills to be pending so that additional ideas can be debated. To that end, I look forward to working with Senator ISAKSON to build consensus and support for further improvements. As long as forecasts predict that home prices are falling and that the economy will remain weak, a large fraction of potential homebuyers may choose to remain on the sidelines without a robust tax credit in place.

I urge my colleagues to support this legislation, or the legislation introduced by Senator ISAKSON, to make further improvements to the home buyer tax credit.

By Mr. SPECTER

S. 741. A bill to amend the Internal Revenue Code of 1986 to impose a flat tax only on individual taxable earned income and business taxable income, and for other purposes; to the Committee on Finance.

Mr. SPECTER. Mr. President, American taxpayers face another Federal income tax deadline. The date of April 15 stabs fear, anxiety, and unease into the hearts of millions of Americans. Every year during ''tax season,'' millions of Americans spend their evenings pouring over page after page of IRS instructions, going through their records looking for information and struggling to find and fill out all the appropriate forms on their Federal tax returns. Americans are intimidated by the sheer number of different tax forms and their instructions, many of which they may be unsure whether they need to file. Given the approximately 582 possible forms, not to mention the instructions that accompany them, simply trying to determine which form to file can in itself be a daunting and overwhelming task. According to the 2008 annual report to Congress, released on January 7, 2009 by the National Taxpayer Advocate for the IRS, U.S. taxpayers and businesses spend about 7.6 billion hours a year complying with the filing requirements of the Internal Revenue Code. This figure does not include the millions of additional hours that taxpayers must spend when they are required to respond to an IRS notice or audit. Much of this time is spent burrowing through IRS laws and regulations which fill over 17,000 pages and have grown from 744,000 words in 1955 to 7.1 million words in 2005. By contrast, the Pledge of Allegiance has only 31 words, the Gettysburg Address has 267 words, the Declaration of Independence has about 1,300 words, and the Bible has only about 1,773,000 words.

The majority of taxpayers still face filing tax forms that are far too complicated and take far too long to complete. According to the IRS's most available data, the average time burden for all taxpayers filing a 1040, 1040A, or 1040EZ in 2006 was 26.4 hours, with an average cost of $207 per return. Taxpayers filing 1040 forms had an average burden of approximately 34 hours. Moreover, this complexity is getting worse each year. According to the estimated preparation time listed on the forms by the IRS, the 1999 Form 1040 was estimated to take 12 hours and 51 minutes to complete. Thus, the time it now takes to fill out these tax forms has more than doubled over an eight year period.

It is no wonder that more than 80 percent of individual taxpayers pay transaction fees to help file tax returns. Well over half of all taxpayers, 61 percent according to a recent survey, now hire an outside professional to prepare their tax returns for them. However, the fact that only about 35 percent of individuals itemize their deductions shows that a significant percentage of our taxpaying population believes that the tax system is too complex for them to deal with. We all understand that paying taxes will never be something we enjoy, but neither should it be cruel and unusual punishment. Further, the pace of change to the Internal Revenue Code is brisk. Since the beginning of 2001, there have been more than 3,250 changes to the tax code, an average of more than one a day, including more than 500 changes in 2008 alone. And we are far from being finished. Year after year, we continue to ask the same question—isn't there a better way?

My flat tax legislation would make filing a tax return a manageable chore, not a seemingly endless nightmare, for most taxpayers. My flat tax legislation will fundamentally revise the present tax code, with its myriad rates, deductions, and instructions. This legislation would institute a simple, flat 20 percent tax rate for all individuals and businesses. This proposal is not cast in stone, but is intended to move the debate forward by focusing attention on three key principles which are critical to an effective and equitable taxation system: simplicity, fairness, and economic growth.

My flat tax plan would eliminate the kinds of frustrations I have outlined above for millions of taxpayers. This flat tax would enable us to scrap the great majority of the IRS rules, regulations and instructions and delete most of the 7.1 million words in the Internal Revenue Code. Instead of billions of hours of non-productive time spent in compliance with, or avoidance of, the tax code, taxpayers would spend only the small amount of time necessary to fill out a postcard-sized form. Both business and individual taxpayers would thus find valuable hours freed up to engage in productive business activity or for more time with their families, instead of pouring over tax tables, schedules, and regulations.

My flat tax proposal is dramatic, but so are its advantages: a taxation system that is simple, fair, and designed to maximize prosperity for all Americans. A summary of the key advantages are:

A 10-line postcard filing would replace the myriad forms and attachments currently required, thus saving Americans up to 7.6 billion hours they currently spend every year in tax compliance.

The flat tax would eliminate the lion's share of IRS rules, regulations and requirements, which have grown from 744,000 words in 1955 to 7.1 million words currently. It would also allow us to slash the mammoth IRS bureaucracy of approximately 87,000 employees, creating opportunities to put their expertise to use elsewhere in the government or in private industry.

Economists estimate a growth due to a flat tax of over $2 trillion in national wealth over 7 years, representing an increase of approximately $7,500 in personal wealth for every man, woman and child in America. This growth would also lead to the creation of 6 million new jobs.

Investment decisions would be made on the basis of productivity rather than simply for tax avoidance, thus leading to even greater economic expansion.

Economic forecasts indicate that interest rates would fall substantially, by as much as two points, as the flat tax removes many of the current disincentives to savings.

Americans would be able to save or invest the $265 billion they currently spend every year in tax compliance.

As tax loopholes are eliminated and the tax code is simplified, there will be far less opportunity for tax avoidance and fraud. Currently, the IRS is estimating a tax gap of $300 billion a year.

Simplification of the tax code will allow us to save significantly on the $10 billion annual budget currently allocated to the Internal Revenue Service.

The most dramatic way to illustrate the flat tax is to consider that the income tax form for the flat tax is printed on a postcard—it will allow all taxpayers to file their April 15 tax returns on a simple 10-line postcard. This postcard will take 15 minutes to fill out..

This is a win-win situation for America because it lowers the tax burden on the taxpayers in the lower brackets. For example in the 2006 tax year, the standard deduction is $5,150 for a single taxpayer, $7,550 for a head of household and $10,300 for a married couple filing jointly, while the personal exemption for individuals and dependents is $3,300. Thus, under the current tax code, a family of four which does not itemize deductions would pay taxes on all income over $23,500—that is personal exemptions of $13,200 and a standard deduction of $10,300. By contrast, under my flat tax bill, that same family would receive a personal exemption of $30,000, and would pay tax on income over that amount.

The tax loopholes enable write-offs of some $393 billion a year. What is eliminated under the flat tax are the loopholes, the deductions in this complicated code which can be deciphered, interpreted, and found really only by the $500-an-hour lawyers. That money is lost to the taxpayers. $120 billion would be saved by the elimination of fraud because of the simplicity of the Tax Code, the taxpayer being able to find out exactly what they owe.

This bill is modeled after a proposal organized and written by two very distinguished law professors from Stanford University, Professor Hall and Professor Rabushka. Their model was first introduced in the Congress in the fall of 1994 by Majority Leader Richard Armey. I introduced the flat tax bill—the first one in the Senate—on March 2, 1995, Senate bill 488. On October 27, 1995, I introduced a Sense of the Senate Resolution calling on my colleagues to expedite Congressional adoption of a flat tax. The Resolution, which was introduced as an amendment to pending legislation, was not adopted. I reintroduced my legislation in the 105th Congress with slight modifications to reflect inflation-adjusted increases in the personal allowances and dependent allowances. I re-reintroduced the bill on April 15, 1999, Tax Day, in a bill denominated as S. 822. I then introduced my flat tax legislation as an amendment to S. 1429, the Tax Reconciliation bill; the amendment was not adopted. During the 108th Congress, I introduced my flat tax legislation once again on April 11, 2003. On May 14, 2003, I offered an amendment to the Tax Reconciliation legislation urging the Senate to hold hearings and consider legislation providing for a flat tax; this amendment passed by a vote of 70 to 30 on May 15, 2003. I then testified on this issue at a subsequent hearing held by the Joint Economic Committee on November 5, 2003. On April 15, 2005 and again on April 10, 2007, I again reintroduced my flat tax legislation in a bill denominated as S. 812 and S. 1081 respectively.

Over the years and prior to my legislative efforts on behalf of flat tax reform, I have devoted considerable time and attention to analyzing our nation's tax code and the policies which underlie it. I began the study of the complexities of the tax code over 40 years ago as a law student at Yale University. I included some tax law as part of my practice in my early years as an attorney in Philadelphia. In the spring of 1962, I published a law review article in the Villanova Law Review, ''Pension and Profit Sharing Plans: Coverage and Operation for Closely Held Corporations and Professional Associations,'' 7 Villanova L. Rev. 335, which in part focused on the inequity in making tax-exempt retirement benefits available to some kinds of businesses but not others. It was apparent then, as it is now, that the very complexities of the Internal Revenue Code could be used to give unfair advantage to some. Einstein himself is quoted as saying ''the hardest thing in the world to understand is the income tax.''

The Hall-Rabushka model envisioned a flat tax with no deductions whatsoever. After considerable reflection, I decided to include in the legislation limited deductions for home mortgage interest for up to $100,000 in borrowing and charitable contributions up to $2,500. While these modifications undercut the pure principle of the flat tax by continuing the use of tax policy to promote home buying and charitable contributions, I believe that those two deductions are so deeply ingrained in the financial planning of American families that they should be retained as a matter of fairness and public policy—and also political practicality. With those two deductions maintained, passage of a modified flat tax will be difficult, but without them, probably impossible.

In my judgment, an indispensable prerequisite to enactment of a modified flat tax is revenue neutrality. Professor Hall advised that the revenue neutrality of the Hall-Rabushka proposal, which uses a 19 percent rate, is based on a well-documented model founded on reliable governmental statistics. My legislation raises that rate from 19 percent to 20 percent to accommodate retaining limited home mortgage interest and charitable deductions.

This proposal taxes business revenues fully at their source, so that there is no personal taxation on interest, dividends, capital gains, gifts or estates. Restructured in this way, the tax code can become a powerful incentive for savings and investment—which translates into economic growth and expansion, more and better jobs, and raising the standard of living for all Americans.

The key advantages of this flat tax plan are threefold: First, it will dramatically simplify the payment of taxes. Second, it will remove much of the IRS regulatory morass now imposed on individual and corporate taxpayers, and allow those taxpayers to devote more of their energies to productive pursuits. Third, since it is a plan which rewards savings and investment, the flat tax will spur economic growth in all sectors of the economy as more money flows into investments and savings accounts.

Professors Hall and Rabushka have projected that within seven years of enactment, this type of a flat tax would produce a 6 percent increase in output from increased total work in the U.S. economy and increased capital formation. The economic growth would mean a $7,500 increase in the personal income of all Americans. No one likes to pay taxes. But Americans will be much more willing to pay their taxes under a system that they believe is fair, a system that they can understand, and a system that they recognize promotes rather than prevents growth and prosperity. My flat tax legislation will afford Americans such a tax system.

Mr. President, I ask unanimous consent that a copy of my flat tax postcard, a variety of specific cases that illustrate the fairness and simplicity of this flat tax, and an example flat tax table be printed in the RECORD.

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

2008 INDIVIDUAL TAX RETURN

ARLEN SPECTER FLAT TAX

Form 1—Individual Wage Tax—2008

Your full name with initial (if joint return, also give spouse's name and initial)	Your social security number
Home address (number and street including apartment number or rural route)	Spouse's social security number
City, town, or post office, state, and ZIP code	
1. Wages, salary, pension and retirement benefits	1__________
2. Personal allowance (enter only one) —$25,000 for married filing jointly —$12,500 for single —$18,750 for single head of household	2__________
3. Number of dependents, not including spouse, multiplied by $6,250	3__________
4. Mortgage interest on debt up to $125,000 for owner-occupied home	4__________
5. Cash or equivalent charitable contributions (up to $3,125)	5__________
6. Total allowances and deductions (lines 2, 3, 4 and 5)	6__________
7. Taxable compensation (line 1 less line 6, if positive; otherwise zero)	7__________
8. Tax (20% of line 7)	8__________
9. Tax withheld by employer	9__________
10. Tax or refund due (difference between lines 8 and 9)	10__________

A variety of specific cases illustrate the fairness and simplicity of this flat tax:

CASE #1—Married couple with two children, rents home, yearly income $35,000:

Under Current Law:	
Income	$35,000
Four personal exemptions	$14,000
Standard deduction	10,900
Taxable income	10,100
Child Tax Credit	1,000
Tax due under current rates	$10
Marginal rate	10.0%
Effective tax rate	.03%
Under Flat Tax:	
Personal allowance	$25,000
Two dependents	$12,500
Taxable income	$0
Tax due under flat tax	[1]$0
Effective tax rate	0%

[1] Decrease of $10

Case #2—Single individual, rents home, yearly income $50,000.

Under Current Law:	
Income	$50,000
One personal exemption	$3,500
Standard deduction	5,450
Taxable income	$41,050
Tax due under current rate	$6,606.25
Marginal rate	25.0%
Effective rate	13.2%
Under Flat Tax:	
Personal allowance	$12,500
Taxable income	$37,500
Tax due under flat tax	[1]$7,500
Effective rate	15.0%

[1] Increase of $893.75

CASE #3—Married couple with no children, $150,000 mortgage at 9%, yearly income $75,000:

Under Current Law:	
Income	$75,000
Two personal exemptions	$7,000
Home mortgage deduction	$13,500
State & local taxes	$3,000
Charitable deduction	$1,500
Taxable income	$50,000
Tax due under current rates	$6,697.50
Marginal rate	15.00%
Effective tax rate	8.93%
Under Flat Tax:	
Personal allowance	$25,000
Home mortgage deduction	$11,250
Charitable deduction	$1,500
Taxable income	$37,250
Tax due under flat tax	$7,450
Effective tax rate	9.93%

[1] Increase of $752.50

CASE #4—Married couple with three children, $250,000 mortgage at 9%, yearly income $125,000:

Under Current Law:	
Income	$125,000
Five personal exemptions	$17,500
Home mortgage deduction	$22,500
State & local taxes	$5,000
Retirement fund deductions	$6,000
Charitable deductions	$2,500
Taxable income	$71,500
Child Tax Credit	$2,250
Tax due under current rates	$8,312.50
Marginal rate	25.00%
Effective tax rate	6.65%
Under Flat Tax:	
Personal allowance	$25,000
Three dependents	$18,750
Home mortgage deduction	$11,250
Charitable deduction	$2,500
Taxable income	$67,500
Tax due under flat tax	$13,500
Effective tax rate	10.8%

[1] Increase of $5,187.50***

ANNUAL TAXES UNDER 20% FLAT TAX FOR MARRIED COUPLE WITH TWO CHILDREN FILING JOINTLY

Income	Home mortgage	Deductible mtg interest	Charitable contribution	Personal allowance (w/ children	Taxable income	Effective tax rate (percent)	Taxes owed
$30,000	....	....	....	....	0	0	None
30,000	$60,000	$5,400	$600	$30,000	0	0	None
40,000	80,000	7,200	800	30,000	$2,000	1	$400
50,000	100,000	9,000	1,000	30,000	10,000	4	2,000
60,000	120,000	9,000	1,200	30,000	19,800	6.6	3,960
70,000	140,000	9,000	1,400	30,000	29,600	8.6	5,920
80,000	160,000	9,000	1,600	30,000	39,400	9.9	7,880
90,000	180,000	9,000	1,800	30,000	49,200	10.9	9,840
100,000	200,000	9,000	2,000	30,000	59,000	11.8	11,800
125,000	250,000	9,000	2,500	30,000	83,500	13.4	16,700
150,000	300,000	9,000	2,500	30,000	108,500	14.5	21,700
200,000	400,000	9,000	2,500	30,000	158,500	15.9	31,700
250,000	500,000	9,000	2,500	30,000	208,500	16.7	41,700
500,000	1,000,000	9,000	2,500	30,000	458,500	18.3	91,700

ANNUAL TAXES UNDER 20% FLAT TAX FOR MARRIED COUPLE WITH TWO CHILDREN FILING JOINTLY—Continued

Income	Home mortgage	Deductible mtg interest	Charitable contribution	Personal allowance (w/ children	Taxable income	Effective tax rate (percent)	Taxes owed
1,000,000	2,000,000	9,000	2,500	30,000	958,500	19.2	191,700

*Assumes home mortgage of twice annual income at a rate of 9% and charitable contributions up to 2% of annual income.

By Mr. UDALL, of New Mexico:

S. 743. A bill to require air carriers to provide training for flight attendants and gate attendants regarding serving alcohol, recognizing intoxicated passengers, and dealing with disruptive passengers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. UDALL of New Mexico. Mr. President, I rise today to introduce the Airline Personnel Training Enhancement Act of 2009 and to ask for Senators' support for this important measure to improve safety in the air and on the ground.

The story of this legislation begins with a tragedy. On November 11, 2006, Paul and Renee Gonzales were driving back from a soccer tournament with four of their daughters. They were roughly 1 hour from their home in Las Vegas, NM, when they saw Dana Papst's vehicle. Papst had been driving on the wrong side of I–25 for about 5 miles before his car collided with the Gonzales's minivan at 60 to 75 miles per hour. Five of the six members of the Gonzales family were killed. Papst later died at the hospital.

I cannot say for certain whether this tragedy could have been prevented by a change in laws. But I do know this: A few hours before Dana Papst took six lives, including his own, he was flying back to Albuquerque after a business trip. On that flight, he was noticeably intoxicated. Yet he was served alcohol by airline personnel. When his truck collided with the Gonzales's minivan, his blood-alcohol level was four times the legal limit.

When I heard about Dana Papst and the Gonzales family, I began to look for legislation that could prevent tragedies like this in the future. I learned that under existing law, Papst should not have been served alcohol on his flight. In fact, somebody as drunk as Papst never should have been allowed on that flight. But airlines are not required to teach their personnel how to handle an intoxicated passenger.

To address this problem, I introduced the Airline Personnel Training Enhancement Act in the other body during the last Congress. I am introducing it again today.

This legislation requires air carriers to train their employees on recognizing and dealing with drunk or disruptive passengers. This training will help employees make informed decisions when allowing people to board flights, when deciding whether a passenger should be served alcohol, and when dealing with belligerent passengers. Many States require people who serve alcohol in restaurants and bars to be properly trained. This legislation simply closes a large and potentially deadly loophole. I hope it will lead to fewer deaths on our roads.

New Mexico, like so many other States, has too many crosses on its highways, too many stories of loss and regret. Drunk driving claimed 155 New Mexico lives the year Paul and Renee Gonzales were killed. It claimed 188 the year before, and 211 the year before that. We have the power to help reduce these numbers. I hope we will use it.

But my legislation is not just about drunk driving. As I began to study the training of airline personnel, I discovered a large and frightening threat to the traveling public. Outbursts by belligerent passengers are more and more common. But airline personnel are rarely trained on how to handle these situations.

Incidents of ''air rage'' increased 400 percent since 2000. There are an estimated 10,000 cases each year in the United States alone. Airline security experts estimate that alcohol is the underlying cause of the majority of incidents. These incidents can pose a serious threat to passengers and personnel. In some cases, flights have been diverted from their destination in order to land where threatening passengers could be arrested.

Airline personnel are on the front line for ensuring flight safety. Gate attendants are in the best position to keep drunk or belligerent passengers off flights. Today, flight attendants are often the only personnel capable of maintaining order in a plane's cabin.

Before 9/11, a flight's captain or copilot would leave the cockpit to assist the flight crew when a passenger made threats or became abusive. Today, the cockpit door is locked for safety. Flight attendants have more responsibility for keeping passengers safe.

Unfortunately, airlines do not have to give their employees the skills to meet their responsibilities. One study found that ''the lack of attention paid by the aviation community to the importance of the flight attendant's role in a commercial flight has led to recurring instances of abuse of cabin crew by passengers and the inability of the cabin crew to restrain violent passenger[s]. . . .''

The Airline Personnel Training Enhancement Act will help remedy this unsafe and unacceptable situation. This legislation is supported by the Association of Flight Attendants and Mothers Against Drunk Driving. It is also a commonsense response to a serious problem. It will make our skies and our roads safer. I hope Senators will support it.

SUBMITTED RESOLUTIONS DURING ADJOURNMENT OF THE SENATE

SENATE CONCURRENT RESOLUTION 13—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2010, REVISING THE APPROPRIATE BUDGETARY LEVELS FOR FISCAL YEAR 2009, AND SETTING FORTH THE APPROPRIATE BUDGETARY LEVELS FOR FISCAL YEARS 2011 THROUGH 2014

Mr. CONRAD from the Committee on the Budget; submitted the following concurrent resolution, which was placed on the calendar:

S. CON. RES. 13

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2010.

(a) DECLARATION.—Congress declares that this resolution is the concurrent resolution on the budget for fiscal year 2010 and that this resolution sets forth the appropriate budgetary levels for fiscal years 2009 and 2011 through 2014.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2009 through 2014:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2009: $1,506,196,000,000.
Fiscal year 2010: $1,620,072,000,000.
Fiscal year 2011: $1,918,926,000,000.
Fiscal year 2012: $2,123,586,000,000.
Fiscal year 2013: $2,286,601,000,000.
Fiscal year 2014: $2,489,829,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2009: –$26,374,000,000.
Fiscal year 2010: –$45,914,000,000.
Fiscal year 2011: –$169,705,000,000.
Fiscal year 2012: –$236,806,000,000.
Fiscal year 2013: –$228,736,000,000.
Fiscal year 2014: –$143,829,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2009: $3,668,049,000,000.
Fiscal year 2010: $2,853,966,000,000.
Fiscal year 2011: $2,799,858,000,000.
Fiscal year 2012: $2,812,313,000,000.
Fiscal year 2013: $2,990,082,000,000.
Fiscal year 2014: $3,164,644,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2009: $3,355,533,000,000.
Fiscal year 2010: $2,981,026,000,000.
Fiscal year 2011: $2,937,215,000,000.
Fiscal year 2012: $2,856,956,000,000.
Fiscal year 2013: $3,003,162,000,000.
Fiscal year 2014: $3,152,972,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 2009: $1,849,337,000,000.
Fiscal year 2010: $1,360,954,000,000.
Fiscal year 2011: $1,018,289,000,000.
Fiscal year 2012: $733,370,000,000.
Fiscal year 2013: $716,560,000,000.
Fiscal year 2014: $663,142,000,000.

(5) PUBLIC DEBT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate levels of the public debt are as follows:

Fiscal year 2009: $12,067,919,000,000.
Fiscal year 2010: $13,298,235,000,000.
Fiscal year 2011: $14,394,517,000,000.
Fiscal year 2012: $15,303,842,000,000.
Fiscal year 2013: $16,175,508,000,000.
Fiscal year 2014: $17,022,970,000,000.

(6) DEBT HELD BY THE PUBLIC.—The appropriate levels of debt held by the public are as follows:

Fiscal year 2009: $7,754,355,000,000.
Fiscal year 2010: $8,817,043,000,000.
Fiscal year 2011: $9,702,393,000,000.
Fiscal year 2012: $10,345,439,000,000.
Fiscal year 2013: $10,919,379,000,000.
Fiscal year 2014: $11,471,742,000,000.

SEC. 102. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2009: $653,117,000,000.
Fiscal year 2010: $668,208,000,000.
Fiscal year 2011: $694,864,000,000.
Fiscal year 2012: $726,045,000,000.
Fiscal year 2013: $766,065,000,000.
Fiscal year 2014: $802,166,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2009: $513,029,000,000.
Fiscal year 2010: $544,140,000,000.
Fiscal year 2011: $564,523,000,000.
Fiscal year 2012: $586,897,000,000.
Fiscal year 2013: $612,017,000,000.
Fiscal year 2014: $639,054,000,000.

(c) SOCIAL SECURITY ADMINISTRATIVE EXPENSES.—In the Senate, the amounts of new budget authority and budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for administrative expenses are as follows:

Fiscal year 2009:
(A) New budget authority, $5,296,000,000.
(B) Outlays, $4,945,000,000.
Fiscal year 2010:
(A) New budget authority, $6,072,000,000.
(B) Outlays, $5,934,000,000.
Fiscal year 2011:
(A) New budget authority, $6,568,000,000.
(B) Outlays, $6,433,000,000.
Fiscal year 2012:
(A) New budget authority, $6,895,000,000.
(B) Outlays, $6,809,000,000.
Fiscal year 2013:
(A) New budget authority, $7,223,000,000.
(B) Outlays, $7,148,000,000.
Fiscal year 2014:
(A) New budget authority, $7,599,000,000.
(B) Outlays, $7,517,000,000.

SEC. 103. POSTAL SERVICE DISCRETIONARY ADMINISTRATIVE EXPENSES.

In the Senate, the amounts of new budget authority and budget outlays of the Postal Service for discretionary administrative expenses are as follows:

Fiscal year 2009:
(A) New budget authority, $253,000,000.
(B) Outlays, $253,000,000.
Fiscal year 2010:
(A) New budget authority, $262,000,000.
(B) Outlays, $262,000,000.
Fiscal year 2011:
(A) New budget authority, $267,000,000.
(B) Outlays, $267,000,000.
Fiscal year 2012:
(A) New budget authority, $272,000,000.
(B) Outlays, $272,000,000.
Fiscal year 2013:
(A) New budget authority, $277,000,000.
(B) Outlays, $277,000,000.
Fiscal year 2014:
(A) New budget authority, $283,000,000.
(B) Outlays, $283,000,000.

SEC. 104. MAJOR FUNCTIONAL CATEGORIES.

Congress determines and declares that the appropriate levels of new budget authority and outlays for fiscal years 2009 through 2014 for each major functional category are:

(1) National Defense (050):
Fiscal year 2009:
(A) New budget authority, $693,557,000,000.
(B) Outlays, $671,725,000,000.
Fiscal year 2010:
(A) New budget authority, $691,703,000,000.
(B) Outlays, $695,628,000,000.
Fiscal year 2011:
(A) New budget authority, $619,767,000,000.
(B) Outlays, $662,705,000,000.
Fiscal year 2012:
(A) New budget authority, $628,785,000,000.
(B) Outlays, $642,223,000,000.
Fiscal year 2013:
(A) New budget authority, $639,535,000,000.
(B) Outlays, $641,425,000,000.
Fiscal year 2014:
(A) New budget authority, $653,458,000,000.
(B) Outlays, $646,834,000,000.

(2) International Affairs (150):
Fiscal year 2009:
(A) New budget authority, $55,333,000,000.
(B) Outlays, $38,011,000,000.
Fiscal year 2010:
(A) New budget authority, $46,670,000,000.
(B) Outlays, $46,960,000,000.
Fiscal year 2011:
(A) New budget authority, $48,192,000,000.
(B) Outlays, $49,936,000,000.
Fiscal year 2012:
(A) New budget authority, $50,429,000,000.
(B) Outlays, $51,181,000,000.
Fiscal year 2013:
(A) New budget authority, $53,332,000,000.
(B) Outlays, $52,292,000,000.
Fiscal year 2014:
(A) New budget authority, $55,996,000,000.
(B) Outlays, $53,111,000,000.

(3) General Science, Space, and Technology (250):
Fiscal year 2009:
(A) New budget authority, $35,389,000,000.
(B) Outlays, $30,973,000,000.
Fiscal year 2010:
(A) New budget authority, $31,139,000,000.
(B) Outlays, $32,467,000,000.
Fiscal year 2011:
(A) New budget authority, $33,993,000,000.
(B) Outlays, $33,032,000,000.
Fiscal year 2012:
(A) New budget authority, $35,008,000,000.
(B) Outlays, $33,749,000,000.
Fiscal year 2013:
(A) New budget authority, $35,557,000,000.
(B) Outlays, $34,971,000,000.
Fiscal year 2014:
(A) New budget authority, $36,211,000,000.
(B) Outlays, $36,066,000,000.

(4) Energy (270):
Fiscal year 2009:
(A) New budget authority, $43,919,000,000.
(B) Outlays, $2,952,000,000.
Fiscal year 2010:
(A) New budget authority, $4,489,000,000.
(B) Outlays, $6,210,000,000.
Fiscal year 2011:
(A) New budget authority, $4,404,000,000.
(B) Outlays, $8,906,000,000.

Fiscal year 2012:
(A) New budget authority, $4,427,000,000.
(B) Outlays, $10,341,000,000.
Fiscal year 2013:
(A) New budget authority, $4,619,000,000.
(B) Outlays, $5,613,000,000.
Fiscal year 2014:
(A) New budget authority, $4,540,000,000.
(B) Outlays, $484,000,000.
(5) Natural Resources and Environment (300):
Fiscal year 2009:
(A) New budget authority, $56,009,000,000.
(B) Outlays, $36,834,000,000.
Fiscal year 2010:
(A) New budget authority, $37,387,000,000.
(B) Outlays, $40,450,000,000.
Fiscal year 2011:
(A) New budget authority, $37,914,000,000.
(B) Outlays, $39,868,000,000.
Fiscal year 2012:
(A) New budget authority, $38,376,000,000.
(B) Outlays, $39,419,000,000.
Fiscal year 2013:
(A) New budget authority, $38,256,000,000.
(B) Outlays, $38,883,000,000.
Fiscal year 2014:
(A) New budget authority, $38,602,000,000.
(B) Outlays, $38,788,000,000.
(6) Agriculture (350):
Fiscal year 2009:
(A) New budget authority, $24,974,000,000.
(B) Outlays, $23,070,000,000.
Fiscal year 2010:
(A) New budget authority, $23,620,000,000.
(B) Outlays, $23,881,000,000.
Fiscal year 2011:
(A) New budget authority, $24,602,000,000.
(B) Outlays, $23,914,000,000.
Fiscal year 2012:
(A) New budget authority, $21,500,000,000.
(B) Outlays, $17,410,000,000.
Fiscal year 2013:
(A) New budget authority, $22,295,000,000.
(B) Outlays, $21,877,000,000.
Fiscal year 2014:
(A) New budget authority, $22,920,000,000.
(B) Outlays, $21,906,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 2009:
(A) New budget authority, $694,439,000,000.
(B) Outlays, $665,437,000,000.
Fiscal year 2010:
(A) New budget authority, $61,113,000,000.
(B) Outlays, $85,818,000,000.
Fiscal year 2011:
(A) New budget authority, $25,931,000,000.
(B) Outlays, $37,798,000,000.
Fiscal year 2012:
(A) New budget authority, $9,305,000,000.
(B) Outlays, $8,400,000,000.
Fiscal year 2013:
(A) New budget authority, $16,985,000,000.
(B) Outlays, $5,329,000,000.
Fiscal year 2014:
(A) New budget authority, $10,958,000,000.
(B) Outlays, –$2,762,000,000.
(8) Transportation (400):
Fiscal year 2009:
(A) New budget authority, $122,457,000,000.
(B) Outlays, $87,784,000,000.
Fiscal year 2010:
(A) New budget authority, $75,246,000,000.
(B) Outlays, $95,695,000,000.
Fiscal year 2011:
(A) New budget authority, $75,301,000,000.
(B) Outlays, $96,147,000,000.
Fiscal year 2012:
(A) New budget authority, $75,885,000,000.
(B) Outlays, $95,184,000,000.
Fiscal year 2013:
(A) New budget authority, $75,758,000,000.
(B) Outlays, $95,017,000,000.
Fiscal year 2014:
(A) New budget authority, $75,642,000,000.
(B) Outlays, $94,972,000,000.
(9) Community and Regional Development (450):
Fiscal year 2009:
(A) New budget authority, $23,811,000,000.
(B) Outlays, $29,983,000,000.
Fiscal year 2010:
(A) New budget authority, $16,308,000,000.
(B) Outlays, $28,921,000,000.
Fiscal year 2011:
(A) New budget authority, $16,152,000,000.
(B) Outlays, $25,563,000,000.
Fiscal year 2012:
(A) New budget authority, $16,194,000,000.
(B) Outlays, $22,254,000,000.
Fiscal year 2013:
(A) New budget authority, $16,043,000,000.
(B) Outlays, $19,633,000,000.
Fiscal year 2014:
(A) New budget authority, $16,068,000,000.
(B) Outlays, $17,870,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 2009:
(A) New budget authority, $164,276,000,000.
(B) Outlays, $73,219,000,000.
Fiscal year 2010:
(A) New budget authority, $94,430,000,000.
(B) Outlays, $140,624,000,000.
Fiscal year 2011:
(A) New budget authority, $107,858,000,000.
(B) Outlays, $141,412,000,000.
Fiscal year 2012:
(A) New budget authority, $117,121,000,000.
(B) Outlays, $118,480,000,000.
Fiscal year 2013:
(A) New budget authority, $115,931,000,000.
(B) Outlays, $118,911,000,000.
Fiscal year 2014:
(A) New budget authority, $125,788,000,000.
(B) Outlays, $120,959,000,000.
(11) Health (550):
Fiscal year 2009:
(A) New budget authority, $380,158,000,000.
(B) Outlays, $354,397,000,000.
Fiscal year 2010:
(A) New budget authority, $383,911,000,000.
(B) Outlays, $388,746,000,000.
Fiscal year 2011:
(A) New budget authority, $363,906,000,000.
(B) Outlays, $367,276,000,000.
Fiscal year 2012:
(A) New budget authority, $368,156,000,000.
(B) Outlays, $367,505,000,000.
Fiscal year 2013:
(A) New budget authority, $387,170,000,000.
(B) Outlays, $382,555,000,000.
Fiscal year 2014:
(A) New budget authority, $396,523,000,000.
(B) Outlays, $397,351,000,000.
(12) Medicare (570):
Fiscal year 2009:
(A) New budget authority, $427,076,000,000.
(B) Outlays, $426,736,000,000.
Fiscal year 2010:
(A) New budget authority, $442,823,000,000.
(B) Outlays, $442,954,000,000.
Fiscal year 2011:
(A) New budget authority, $487,508,000,000.
(B) Outlays, $487,326,000,000.
Fiscal year 2012:
(A) New budget authority, $491,844,000,000.
(B) Outlays, $491,616,000,000.
Fiscal year 2013:
(A) New budget authority, $539,711,000,000.
(B) Outlays, $539,862,000,000.
Fiscal year 2014:
(A) New budget authority, $592,893,000,000.
(B) Outlays, $592,733,000,000.
(13) Income Security (600):
Fiscal year 2009:
(A) New budget authority, $520,123,000,000.
(B) Outlays, $503,020,000,000.
Fiscal year 2010:
(A) New budget authority, $534,689,000,000.
(B) Outlays, $538,604,000,000.
Fiscal year 2011:
(A) New budget authority, $507,482,000,000.
(B) Outlays, $510,762,000,000.
Fiscal year 2012:
(A) New budget authority, $450,081,000,000.
(B) Outlays, $450,806,000,000.
Fiscal year 2013:
(A) New budget authority, $454,160,000,000.
(B) Outlays, $453,932,000,000.
Fiscal year 2014:
(A) New budget authority, $454,931,000,000.
(B) Outlays, $453,726,000,000.
(14) Social Security (650):
Fiscal year 2009:
(A) New budget authority, $31,820,000,000.
(B) Outlays, $31,264,000,000.
Fiscal year 2010:
(A) New budget authority, $20,255,000,000.
(B) Outlays, $20,378,000,000.
Fiscal year 2011:
(A) New budget authority, $23,380,000,000.
(B) Outlays, $23,513,000,000.
Fiscal year 2012:
(A) New budget authority, $26,478,000,000.
(B) Outlays, $26,628,000,000.
Fiscal year 2013:
(A) New budget authority, $29,529,000,000.
(B) Outlays, $29,679,000,000.
Fiscal year 2014:
(A) New budget authority, $32,728,000,000.
(B) Outlays, $32,728,000,000.
(15) Veterans Benefits and Services (700):
Fiscal year 2009:
(A) New budget authority, $97,705,000,000.
(B) Outlays, $94,831,000,000.
Fiscal year 2010:
(A) New budget authority, $106,357,000,000.
(B) Outlays, $105,460,000,000.
Fiscal year 2011:
(A) New budget authority, $112,806,000,000.
(B) Outlays, $112,355,000,000.
Fiscal year 2012:
(A) New budget authority, $108,643,000,000.
(B) Outlays, $108,048,000,000.
Fiscal year 2013:
(A) New budget authority, $113,722,000,000.
(B) Outlays, $113,071,000,000.
Fiscal year 2014:
(A) New budget authority, $115,929,000,000.
(B) Outlays, $115,388,000,000.
(16) Administration of Justice (750):
Fiscal year 2009:
(A) New budget authority, $55,783,000,000.
(B) Outlays, $49,853,000,000.
Fiscal year 2010:
(A) New budget authority, $52,857,000,000.
(B) Outlays, $51,630,000,000.
Fiscal year 2011:
(A) New budget authority, $52,061,000,000.
(B) Outlays, $54,110,000,000.
Fiscal year 2012:
(A) New budget authority, $51,866,000,000.
(B) Outlays, $53,726,000,000.
Fiscal year 2013:
(A) New budget authority, $51,651,000,000.
(B) Outlays, $52,678,000,000.
Fiscal year 2014:
(A) New budget authority, $51,488,000,000.
(B) Outlays, $51,635,000,000.
(17) General Government (800):
Fiscal year 2009:
(A) New budget authority, $30,405,000,000.
(B) Outlays, $24,629,000,000.
Fiscal year 2010:
(A) New budget authority, $22,321,000,000.
(B) Outlays, $23,021,000,000.
Fiscal year 2011:
(A) New budget authority, $22,477,000,000.
(B) Outlays, $23,322,000,000.
Fiscal year 2012:
(A) New budget authority, $22,707,000,000.
(B) Outlays, $23,806,000,000.
Fiscal year 2013:
(A) New budget authority, $22,437,000,000.
(B) Outlays, $23,252,000,000.
Fiscal year 2014:
(A) New budget authority, $22,808,000,000.
(B) Outlays, $23,109,000,000.
(18) Net Interest (900):
Fiscal year 2009:
(A) New budget authority, $289,021,000,000.
(B) Outlays, $289,021,000,000.
Fiscal year 2010:

(A) New budget authority, $284,558,000,000.
(B) Outlays, $284,558,000,000.
Fiscal year 2011:
(A) New budget authority, $323,794,000,000.
(B) Outlays, $323,794,000,000.
Fiscal year 2012:
(A) New budget authority, $387,620,000,000.
(B) Outlays, $387,620,000,000.
Fiscal year 2013:
(A) New budget authority, $470,073,000,000.
(B) Outlays, $470,073,000,000.
Fiscal year 2014:
(A) New budget authority, $557,326,000,000.
(B) Outlays, $557,326,000,000.
(19) Allowances (920):
Fiscal year 2009:
(A) New budget authority, $0.
(B) Outlays, $0.
Fiscal year 2010:
(A) New budget authority, –$7,466,000,000.
(B) Outlays, –$2,536,000,000.
Fiscal year 2011:
(A) New budget authority, –$16,016,000,000.
(B) Outlays, –$12,873,000,000.
Fiscal year 2012:
(A) New budget authority, –$17,492,000,000.
(B) Outlays, –$16,820,000,000.
Fiscal year 2013:
(A) New budget authority, –$19,097,000,000.
(B) Outlays, –$18,307,000,000.
Fiscal year 2014:
(A) New budget authority, –$20,674,000,000.
(B) Outlays, –$19,758,000,000.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 2009:
(A) New budget authority, –$78,206,000,000.
(B) Outlays, –$78,206,000,000.
Fiscal year 2010:
(A) New budget authority, –$68,444,000,000.
(B) Outlays, –$68,444,000,000.
Fiscal year 2011:
(A) New budget authority, –$71,653,000,000.
(B) Outlays, –$71,653,000,000.
Fiscal year 2012:
(A) New budget authority, –$74,620,000,000.
(B) Outlays, –$74,620,000,000.
Fiscal year 2013:
(A) New budget authority, –$77,585,000,000.
(B) Outlays, –$77,585,000,000.
Fiscal year 2014:
(A) New budget authority, –$79,491,000,000.
(B) Outlays, –$79,491,000,000.

TITLE II—RESERVE FUNDS

SEC. 201. DEFICIT-NEUTRAL RESERVE FUND TO TRANSFORM AND MODERNIZE AMERICA'S HEALTH CARE SYSTEM.

(a) TRANSFORM AND MODERNIZE AMERICA'S HEALTH CARE SYSTEM.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution, and make adjustments to the pay-as-you-go ledger that are deficit-neutral over 11 years, for one or more bills, joint resolutions, amendments, motions, or conference reports that are deficit-neutral, reduce excess cost growth in health care spending and are fiscally sustainable over the long term, and—

(1) protect families' financial health including restraining the growth of health premiums and other health-related costs;

(2) make health coverage affordable to businesses, households, and governments, including by reducing wasteful and inefficient spending in the health care system with periodic reports on savings achieved through these efforts, and by moving forward with improvements to the health care delivery system, including Medicare;

(3) aim for universality of health coverage;

(4) provide portability of coverage and assurance of coverage with appropriate consumer protections;

(5) guarantee choice of health plans and health care providers to Americans;

(6) invest in prevention and wellness and address issues of health disparities;

(7) improve patient safety and quality care, including the appropriate use of health information technology and health data, and promote transparency in cost and quality information to Americans; or

(8) maintain long-term fiscal sustainability and pays for itself by reducing health care cost growth, improving productivity, or dedicating additional sources of revenue;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over the period of the total of fiscal years 2009 through 2019.

(b) OTHER REVISIONS.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that—

(1) increase the reimbursement rate for physician services under section 1848(d) of the Social Security Act and that include financial incentives for physicians to improve the quality and efficiency of items and services furnished to Medicare beneficiaries through the use of consensus-based quality measures;

(2) include measures to encourage physicians to train in primary care residencies and ensure an adequate supply of residents and physicians; or

(3) improve the Medicare program for beneficiaries and protect access to outpatient therapy services (including physical therapy, occupational therapy, and speech-language pathology services) through measures such as repealing the current outpatient therapy caps while protecting beneficiaries from associated premium increases;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 202. DEFICIT-NEUTRAL RESERVE FUND TO INVEST IN CLEAN ENERGY AND PRESERVE THE ENVIRONMENT.

(a) INVESTING IN CLEAN ENERGY AND PRESERVING THE ENVIRONMENT.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would reduce our Nation's dependence on imported energy, produce green jobs, promote renewable energy development, create a clean energy investment fund, improve electricity transmission, encourage conservation and efficiency, make improvements to the Low Income Home Energy Assistance Program, implement water settlements, or preserve or protect public lands, oceans or coastal areas, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019. The legislation may include tax provisions.

(b) CLIMATE CHANGE LEGISLATION.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would invest in clean energy technology initiatives, decrease greenhouse gas emissions, or help families, workers, communities, and businesses make the transition to a clean energy economy, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 203. DEFICIT-NEUTRAL RESERVE FUND FOR HIGHER EDUCATION.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that make higher education more accessible and affordable, which may include legislation to expand and strengthen student aid, such as Pell Grants, or increase college enrollment and completion rates for low-income students, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019. The legislation may include tax provisions.

SEC. 204. DEFICIT-NEUTRAL RESERVE FUND FOR CHILD NUTRITION AND WIC.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would reauthorize child nutrition programs or the Special Supplemental Nutrition Program for Women, Infants, and Children (the WIC program), by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 205. DEFICIT-NEUTRAL RESERVE FUND FOR INVESTMENTS IN AMERICA'S INFRASTRUCTURE.

(a) INFRASTRUCTURE.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for a robust Federal investment in America's infrastructure, which may include projects for public housing, energy, water, or other infrastructure projects, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(b) SURFACE TRANSPORTATION.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide new budget authority for surface transportation programs to the extent such new budget authority is offset by an increase in receipts to the Highway Trust Fund (excluding transfers from the general fund of the Treasury into the Highway Trust Fund not offset by a similar increase in receipts), provided further that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(c) MULTIMODAL TRANSPORTATION PROJECTS.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would authorize multimodal transportation projects that—

(1) provide a set of performance measures;

(2) require a cost-benefit analysis be conducted to ensure accountability and overall project goals are met; and

(3) provide flexibility for States, cities, and localities to create strategies that meet the needs of their communities,

by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 206. DEFICIT-NEUTRAL RESERVE FUND TO PROMOTE ECONOMIC STABILIZATION AND GROWTH.

(a) MANUFACTURING.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports, including tax legislation, that would revitalize and strengthen the United States domestic manufacturing sector by increasing Federal research and development, by expanding the scope and effectiveness of manufacturing programs across the Federal Government, by increasing efforts to train and retrain manufacturing workers, by enhancing workers' technical skills in the use of the new advanced manufacturing technologies to produce competitive energy efficient products, by increasing support for the redevelopment of closed manufacturing plants, by increasing support for development of alternative fuels and leap-ahead automotive and energy technologies such as advanced batteries, or by establishing tax incentives to encourage the continued production in the United States of advanced technologies and the infrastructure to support such technologies, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(b) TAX RELIEF.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution by the amounts provided by one or more bills, joint resolutions, amendments, motions, or conference reports that would provide tax relief, including but not limited to extensions of expiring and expired tax relief or refundable tax relief, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(c) TAX REFORM.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would reform the Internal Revenue Code to ensure a sustainable revenue base that would lead to a fairer and more efficient tax system and to a more competitive business environment for United States enterprises, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(d) FLOOD INSURANCE REFORM.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would provide for flood insurance reform and modernization, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(e) TRADE.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports related to trade by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(f) HOUSING ASSISTANCE.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports related to housing assistance, which may include low income rental assistance and assistance provided through the Housing Trust Fund created under section 1131 of the Housing and Economic Recovery Act of 2008, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(g) UNEMPLOYMENT MITIGATION.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports which reduce the unemployment rate or provide assistance to the unemployed, particularly in the states and localities with the highest rates of unemployment, or improve the implementation of the unemployment compensation program, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 207. DEFICIT-NEUTRAL RESERVE FUND FOR AMERICA'S VETERANS AND WOUNDED SERVICEMEMBERS.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would expand the number of disabled military retirees who receive both disability compensation and retired pay, accelerate the phase-in of concurrent receipt, eliminate the offset between Survivor Benefit Plan annuities and Veterans' Dependency and Indemnity Compensation, or expand veterans' benefits (including for veterans living in rural areas), by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 208. DEFICIT-NEUTRAL RESERVE FUND FOR JUDICIAL PAY AND JUDGESHIPS AND POSTAL RETIREE ASSISTANCE.

(a) JUDICIAL PAY AND JUDGESHIPS.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would authorize salary adjustments for justices and judges of the United States, or increase the number of Federal judgeships, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(b) POSTAL RETIREES.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports relating to adjustments to funding for postal retiree health coverage, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 209. DEFICIT-NEUTRAL RESERVE FUND FOR DEFENSE ACQUISITION AND CONTRACTING REFORM.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that—

(1) enhance the capability of the Federal acquisition or contracting workforce to achieve better value for taxpayers;

(2) reduce the use of no-bid and cost-plus contracts; or

(3) reform Department of Defense processes for acquiring weapons systems in order to reduce costs, improve cost and schedule estimation, enhance developmental testing of weapons, or increase the rigor of reviews of programs that experience critical cost growth;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 210. DEFICIT-NEUTRAL RESERVE FUND FOR INVESTMENTS IN OUR NATION'S COUNTIES AND SCHOOLS.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for the reauthorization of the Secure Rural Schools and Community Self Determination Act of 2000 (Public Law 106–393) or make changes to the Payments in Lieu of Taxes Act of 1976 (Public Law 94–565), or both, by the amounts provided by that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 211. DEFICIT-NEUTRAL RESERVE FUND FOR THE FOOD AND DRUG ADMINISTRATION.

(a) REGULATION.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that authorize the Food and Drug Administration to regulate products and assess user fees on manufacturers and importers of those products to cover the cost of the Food and Drug Administration's regulatory activities, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(b) DRUG IMPORTATION.—The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that permit the safe importation of prescription drugs approved by the Food and Drug Administration from a specified list of countries, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 212. DEFICIT NEUTRAL RESERVE FUND FOR BIPARTISAN CONGRESSIONAL SUNSET COMMISSION.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that—

(1) provide for a bipartisan congressional sunset commission, that will review Federal programs, focusing on unauthorized and nonperforming programs;

(2) provide for a process that will help abolish obsolete and duplicative Federal programs;

(3) provide for improved government accountability and greater openness in Government decisionmaking; and

(4) provide for a process that ensures that Congress will consider the commission's reports and recommendations;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 213. DEFICIT-NEUTRAL RESERVE FUND TO IMPROVE DOMESTIC FUELS SECURITY.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports to achieve domestic fuels security by authorizing the Department of Defense to procure alternative fuels from domestic sources under contracts for up to 20 years, provided that such procurement is consistent with section 526 of the Energy Independence and Security Act of 2007 (Public Law 110–140) and provided further that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 214. DEFICIT-NEUTRAL RESERVE FUND FOR A COMPREHENSIVE INVESTIGATION INTO THE CURRENT FINANCIAL CRISIS.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide resources for a comprehensive investigation to determine the cause of the current financial crisis, hold those responsible accountable, and provide recommendations to prevent another financial crisis of this magnitude from occurring again by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 215. DEFICIT-NEUTRAL RESERVE FUND FOR INCREASED TRANSPARENCY AT THE FEDERAL RESERVE.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that increase transparency at the Federal Reserve System, including audits of the Board of Governors of the Federal Reserve System and the Federal reserve banks and increased public disclosure with respect to the recipients of all loans and other financial assistance it has provided since March 24, 2008, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

TITLE III—BUDGET PROCESS

Subtitle A—Budget Enforcement

SEC. 301. DISCRETIONARY SPENDING LIMITS, PROGRAM INTEGRITY INITIATIVES, AND OTHER ADJUSTMENTS.

(a) SENATE POINT OF ORDER.—

(1) IN GENERAL.—Except as otherwise provided in this section, it shall not be in order in the Senate to consider any bill or joint resolution (or amendment, motion, or conference report on that bill or joint resolution) that would cause the discretionary spending limits in this section to be exceeded.

(2) SUPERMAJORITY WAIVER AND APPEALS.—

(A) WAIVER.—This subsection may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(B) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

(b) SENATE DISCRETIONARY SPENDING LIMITS.—In the Senate and as used in this section, the term ''discretionary spending limit'' means—

(1) for fiscal year 2009, $1,391,471,000,000 in new budget authority and $1,220,843,000,000 in outlays; and

(2) for fiscal year 2010, $1,079,050,000,000 in new budget authority and $1,268,104,000,000 in outlays;

as adjusted in conformance with the adjustment procedures in subsection (c).

(c) ADJUSTMENTS IN THE SENATE.—

(1) IN GENERAL.—After the reporting of a bill or joint resolution relating to any matter described in paragraph (2), or the offering of an amendment thereto or the submission of a conference report thereon—

(A) the Chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, budgetary aggregates, and allocations pursuant to section 302(a) of the Congressional Budget Act of 1974, by the amount of new budget authority in that measure for that purpose and the outlays flowing therefrom; and

(B) following any adjustment under subparagraph (A), the Senate Committee on Appropriations may report appropriately revised suballocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(2) MATTERS DESCRIBED.—Matters referred to in paragraph (1) are as follows:

(A) CONTINUING DISABILITY REVIEWS AND SSI REDETERMINATIONS.—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates $273,000,000 for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, and provides an additional appropriation of up to $485,000,000 for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $485,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

(B) INTERNAL REVENUE SERVICE TAX ENFORCEMENT.—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates $7,100,000,000 for the Internal Revenue Service for enhanced tax enforcement to address the Federal tax gap (taxes owed but not paid) and provides an additional appropriation of up to $890,000,000 for the Internal Revenue Service for enhanced tax enforcement to address the Federal tax gap, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $890,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

(C) HEALTH CARE FRAUD AND ABUSE CONTROL.—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates up to $311,000,000 to the Health Care Fraud and Abuse Control program at the Department of Health and Human Services, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $311,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

(D) UNEMPLOYMENT INSURANCE IMPROPER PAYMENT REVIEWS.—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates $10,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews, and provides an additional appropriation of up to $50,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $50,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

(E) REDUCING WASTE IN DEFENSE CONTRACTING.—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates up to $100,000,000 to the Department of Defense for additional activities to reduce waste, fraud, abuse, and overpayments in defense contracting or to enhance the capability of the defense acquisition or contracting workforce to save taxpayer resources, then the discretionary spending limits, allocation to the Senate

Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $100,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

(3) ADJUSTMENTS TO SUPPORT ONGOING OVERSEAS CONTINGENCY OPERATIONS.—The Chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, allocations to the Senate Committee on Appropriations, and aggregates for one or more—

(A) bills reported by the Senate Committee on Appropriations or passed by the House of Representatives;

(B) joint resolutions or amendments reported by the Senate Committee on Appropriations;

(C) amendments between the Houses received from the House of Representatives or Senate amendments offered by the authority of the Senate Committee on Appropriations; or

(D) conference reports;

making appropriations for fiscal year 2010 for overseas contingency operations by the amounts provided in such legislation for those purposes (and so designated pursuant to this paragraph), up to $130,000,000,000 in budget authority for fiscal year 2010 and the new outlays flowing therefrom.

(4) REVISED APPROPRIATIONS FOR FISCAL YEAR 2010.—

(A) IN GENERAL.—If after adoption of this resolution by the Congress, the Congressional Budget Office (CBO) re-estimates the President's request for discretionary spending in fiscal year 2010 at an aggregate level different from the CBO preliminary estimate dated March 20, 2009, the Chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, budgetary aggregates, and allocations pursuant to section 302(a) of the Congressional Budget Act of 1974 by the amount of budget authority and outlays flowing therefrom, to reflect the difference between such re-estimate and the CBO preliminary estimate dated March 20, 2009.

(B) SUBALLOCATIONS.—Following any adjustment under subparagraph (A), the Senate Committee on Appropriations may report appropriately revised suballocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this paragraph.

(d) INAPPLICABILITY.—In the Senate, subsections (a), (b), (c), and (d) of section 312 of S. Con. Res. 70 (110th Congress) shall no longer apply.

SEC. 302. POINT OF ORDER AGAINST ADVANCE APPROPRIATIONS.

(a) IN GENERAL.—

(1) POINT OF ORDER.—Except as provided in subsection (b), it shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, or conference report that would provide an advance appropriation.

(2) DEFINITION.—In this section, the term "advance appropriation" means any new budget authority provided in a bill or joint resolution making appropriations for fiscal year 2010 that first becomes available for any fiscal year after 2010, or any new budget authority provided in a bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2011, that first becomes available for any fiscal year after 2011.

(b) EXCEPTIONS.—Advance appropriations may be provided—

(1) for fiscal years 2011 and 2012 for programs, projects, activities, or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading "Accounts Identified for Advance Appropriations" in an aggregate amount not to exceed $28,852,000,000 in new budget authority in each year; and

(2) for the Corporation for Public Broadcasting.

(c) SUPERMAJORITY WAIVER AND APPEAL.—

(1) WAIVER.—In the Senate, subsection (a) may be waived or suspended only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEAL.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under subsection (a).

(d) FORM OF POINT OF ORDER.—A point of order under subsection (a) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(e) CONFERENCE REPORTS.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this section, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(f) INAPPLICABILITY.—In the Senate, section 313 of S. Con. Res. 70 (110th Congress) shall no longer apply.

SEC. 303. EMERGENCY LEGISLATION.

(a) AUTHORITY TO DESIGNATE.—In the Senate, with respect to a provision of direct spending or receipts legislation or appropriations for discretionary accounts that Congress designates as an emergency requirement in such measure, the amounts of new budget authority, outlays, and receipts in all fiscal years resulting from that provision shall be treated as an emergency requirement for the purpose of this section.

(b) EXEMPTION OF EMERGENCY PROVISIONS.—Any new budget authority, outlays, and receipts resulting from any provision designated as an emergency requirement, pursuant to this section, in any bill, joint resolution, amendment, or conference report shall not count for purposes of sections 302 and 311 of the Congressional Budget Act of 1974, section 201 of S. Con. Res. 21 (110th Congress) (relating to pay-as-you-go), section 311 of S. Con. Res. 70 (110th Congress) (relating to long-term deficits), and sections 301 and 304 of this resolution (relating to discretionary spending and short-term deficits). Designated emergency provisions shall not count for the purpose of revising allocations, aggregates, or other levels pursuant to procedures established under section 301(b)(7) of the Congressional Budget Act of 1974 for deficit-neutral reserve funds and revising discretionary spending limits set pursuant to section 301 of this resolution.

(c) DESIGNATIONS.—If a provision of legislation is designated as an emergency requirement under this section, the committee report and any statement of managers accompanying that legislation shall include an explanation of the manner in which the provision meets the criteria in subsection (f).

(d) DEFINITIONS.—In this section, the terms "direct spending", "receipts", and "appropriations for discretionary accounts" mean any provision of a bill, joint resolution, amendment, motion, or conference report that affects direct spending, receipts, or appropriations as those terms have been defined and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(e) POINT OF ORDER.—

(1) IN GENERAL.—When the Senate is considering a bill, resolution, amendment, motion, or conference report, if a point of order is made by a Senator against an emergency designation in that measure, that provision making such a designation shall be stricken from the measure and may not be offered as an amendment from the floor.

(2) SUPERMAJORITY WAIVER AND APPEALS.—

(A) WAIVER.—Paragraph (1) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(B) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

(3) DEFINITION OF AN EMERGENCY DESIGNATION.—For purposes of paragraph (1), a provision shall be considered an emergency designation if it designates any item as an emergency requirement pursuant to this subsection.

(4) FORM OF THE POINT OF ORDER.—A point of order under paragraph (1) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(5) CONFERENCE REPORTS.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this section, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(f) CRITERIA.—

(1) IN GENERAL.—For purposes of this section, any provision is an emergency requirement if the situation addressed by such provision is—

(A) necessary, essential, or vital (not merely useful or beneficial);

(B) sudden, quickly coming into being, and not building up over time;

(C) an urgent, pressing, and compelling need requiring immediate action;

(D) subject to subparagraph (B), unforeseen, unpredictable, and unanticipated; and

(E) not permanent, temporary in nature.

(2) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

(g) INAPPLICABILITY.—In the Senate, section 204(a) of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008, shall no longer apply.

SEC. 304. POINT OF ORDER AGAINST LEGISLATION INCREASING SHORT-TERM DEFICIT.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report (except measures within the jurisdiction of the Committee on Appropriations) that would cause a net increase in the deficit in excess of $10,000,000,000 in any fiscal year provided for in the most recently adopted concurrent resolution on the budget unless it is fully offset over the period of all fiscal years provided for in the most recently adopted concurrent resolution on the budget.

(b) SUPERMAJORITY WAIVER AND APPEAL IN THE SENATE.—

(1) WAIVER.—This section may be waived or suspended only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEAL.—An affirmative vote of three-fifths of the Members, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(c) DETERMINATIONS OF BUDGET LEVELS.—For purposes of this section, the levels shall be determined on the basis of estimates provided by the Senate Committee on the Budget.

(d) SUNSET.—This section shall expire on September 30, 2018.

(e) INAPPLICABILITY.—In the Senate, section 315 of S. Con. Res. 70 (110th Congress), the concurrent resolution in the budget for fiscal year 2009, shall no longer apply.

SEC. 305. POINT OF ORDER AGAINST PROVISIONS OF APPROPRIATIONS LEGISLATION THAT CONSTITUTE CHANGES IN MANDATORY PROGRAMS AFFECTING THE CRIME VICTIMS FUND.

(a) IN GENERAL.—In the Senate, it shall not be in order to consider any appropriations legislation, including any amendment thereto, motion in relation thereto, or conference report thereon, that includes any provision or provisions affecting the Crime Victims Fund, as defined by section 1402 of the Victims of Crime Act of 1984 (42 U.S.C. 10601), which constitutes a change in a mandatory program that would have been estimated as affecting direct spending or receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002) were they included in legislation other than appropriations legislation. A point of order pursuant to this section shall be raised against such provision or provisions as described in subsections (d) and (e).

(b) DETERMINATION.—The determination of whether a provision is subject to a point of order pursuant to this section shall be made by the Committee on the Budget of the Senate.

(c) SUPERMAJORITY WAIVER AND APPEAL.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) GENERAL POINT OF ORDER.—It shall be in order for a Senator to raise a single point of order that several provisions of a bill, resolution, amendment, motion, or conference report violate this section. The Presiding Officer may sustain the point of order as to some or all of the provisions against which the Senator raised the point of order. If the Presiding Officer so sustains the point of order as to some of the provisions (including provisions of an amendment, motion, or conference report) against which the Senator raised the point of order, then only those provisions (including provision of an amendment, motion, or conference report) against which the Presiding Officer sustains the point of order shall be deemed stricken pursuant to this section. Before the Presiding Officer rules on such a point of order, any Senator may move to waive such a point of order as it applies to some or all of the provisions against which the point of order was raised. Such a motion to waive is amendable in accordance with rules and precedents of the Senate. After the Presiding Officer rules on such a point of order, any Senator may appeal the ruling of the Presiding Officer on such a point of order as it applies to some or all of the provisions on which the Presiding Officer ruled.

(e) FORM OF THE POINT OF ORDER.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this section, and such point of order being sustained, such material contained in such conference report or amendment shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

Subtitle B—Other Provisions

SEC. 311. OVERSIGHT OF GOVERNMENT PERFORMANCE.

In the Senate, all committees are directed to review programs within their jurisdiction to root out waste, fraud, and abuse in program spending, giving particular scrutiny to issues raised by Government Accountability Office reports. Based on these oversight efforts and committee performance reviews of programs within their jurisdiction, committees are directed to include recommendations for improved governmental performance in their annual views and estimates reports required under section 301(d) of the Congressional Budget Act of 1974 to the Committees on the Budget.

SEC. 312. BUDGETARY TREATMENT OF CERTAIN DISCRETIONARY ADMINISTRATIVE EXPENSES.

In the Senate, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974, section 13301 of the Budget Enforcement Act of 1990, and section 2009a of title 39, United States Code, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committees on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration and of the Postal Service.

SEC. 313. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Senate Committee on the Budget.

SEC. 314. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.

Upon the enactment of a bill or joint resolution providing for a change in concepts or definitions, the Chairman of the Senate Committee on the Budget may make adjustments to the levels and allocations in this resolution in accordance with section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002).

SEC. 315. DEBT DISCLOSURE REQUIREMENT.

(a) IN GENERAL.—It shall not be in order to consider a budget resolution in the Senate unless it contains a debt disclosure section including all, and only, the following disclosures regarding debt:

“SEC. ___. DEBT DISCLOSURES.

‘‘(a) IN GENERAL.—The levels assumed in this budget resolution allow the gross Federal debt of the nation to rise/fall by $__________ from the current year, fiscal year 20___, to the fifth year of the budget window, fiscal year 20___.

‘‘(b) PER PERSON.—The levels assumed in this budget resolution allow the gross Federal debt of the nation to rise/fall by $_______ on every United States citizen from the current year, fiscal year 20___ to the fifth year of the budget window, fiscal year 20___.

‘‘(c) SOCIAL SECURITY.—The levels assumed in this budget resolution project that $_______ of the Social Security surplus will be spent over the 5-year budget window, fiscal years 20___ through 20___, on things other than Social Security.’’.

(b) SOCIAL SECURITY.—If any portion of the Social Security surplus is projected to be spent in any year or the gross Federal debt in the fifth year of the budget window is greater than the gross debt projected for the current year, as described in section 101(5) of this resolution, the report, print, or statement of managers accompanying the budget resolution shall contain a section that—

(1) details the circumstances making it in the national interest to allow Federal debt to increase rather than taking steps to reduce the debt; and

(2) provides a justification for allowing the surpluses in the Social Security Trust Fund to be spent on other functions of Government even as the baby boom generation retires, program costs are projected to rise dramatically, the debt owed to Social Security is about to come due, and the Trust Fund is projected to go insolvent.

(c) DEFINITIONS.—In this section, the term ‘‘gross Federal debt’’ means the nominal levels of (or changes in the levels of) gross Federal debt (debt subject to limit as set forth in section 101(5) of this resolution) measured at the end of each fiscal year during the period of the budget, not debt as a percentage of gross domestic product, and not levels relative to baseline projections.

SEC. 316. DEBT DISCLOSURES.

(a) IN GENERAL.—The levels assumed in this budget resolution allow the gross Federal debt of the nation to rise by $4,960,000,000,000 from the current year, fiscal year 2009, to the fifth year of the budget window, fiscal year 2014.

(b) PER PERSON.—The levels assumed in this budget resolution allow the gross Federal debt of the nation to rise by $16,200 on every United States citizen from the current year, fiscal year 2009, to the fifth year of the budget window, fiscal year 2014.

(c) SOCIAL SECURITY.—The levels assumed in this budget resolution project that $700,000,000,000 of the Social Security surplus will be spent over the 5-year budget window, fiscal years 2010 through 2014, on things other than Social Security.

SEC. 317. EXERCISE OF RULEMAKING POWERS.

Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate, and as such they shall be considered as part of the rules of the Senate and such rules shall supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with full recognition of the constitutional right of the Senate to change those rules at any time, in the same manner, and to the same extent as is the case of any other rule of the Senate.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 89—EXPRESSING SUPPORT FOR DESIGNATION OF A "WELCOME HOME VIETNAM VETERANS DAY"

Mr. BURR (for himself, Mrs. BOXER, Ms. MURKOWSKI, Mr. HATCH, Mrs. SHAHEEN, Mr. INHOFE, Mr. WICKER, Mr. ROBERTS, and Mr. COCHRAN) submitted the following resolution; which was considered and agreed to:

S. RES. 89

Whereas the Vietnam War was fought in Vietnam from 1961 to 1975, and involved North Vietnam and the Viet Cong in conflict with United States Armed Forces and South Vietnam;

Whereas the United States became involved in Vietnam because policy-makers in the United States believed that if the Government of South Vietnam fell to a communist government then communism would spread throughout the rest of Southeast Asia;

Whereas members of the United States Armed Forces began serving in an advisory role to the Government of South Vietnam in 1961;

Whereas, as a result of the Gulf of Tonkin incidents on August 2 and 4, 1964, Congress overwhelmingly passed the Gulf of Tonkin Resolution (Public Law 88–408), on August 7, 1964, which effectively handed over war-making powers to President Johnson until such time as "peace and security" had returned to Vietnam;

Whereas, in 1965, United States Armed Forces ground combat units arrived in Vietnam;

Whereas, by the end of 1965, there were 80,000 United States troops in Vietnam, and by 1969 a peak of approximately 543,000 troops was reached;

Whereas, on January 27, 1973, the Treaty of Paris was signed, which required the release of all United States prisoners-of-war held in North Vietnam and the withdrawal of all United States Armed Forces from South Vietnam;

Whereas, on March 30, 1973, the United States Armed Forces completed the withdrawal of combat troops from Vietnam;

Whereas more than 58,000 members of the United States Armed Forces lost their lives in Vietnam and more than 300,000 members of the Armed Forces were wounded;

Whereas, in 1982, the Vietnam Veterans Memorial was dedicated in the District of Columbia to commemorate those members of the United States Armed Forces who died or were declared missing-in-action in Vietnam;

Whereas the Vietnam War was an extremely divisive issue among the people of the United States;

Whereas members of the United States Armed Forces who served bravely and faithfully for the United States during the Vietnam War were caught upon their return home in the crossfire of public debate about the involvement of the United States in the Vietnam War;

Whereas the establishment of a "Welcome Home Vietnam Veterans Day" would be an appropriate way to honor those members of the United States Armed Forces who served in Vietnam during the Vietnam War; and

Whereas March 30, 2009, would be an appropriate day to establish as "Welcome Home Vietnam Veterans Day": Now, therefore, be it

Resolved, That the Senate—

(1) honors and recognizes the contributions of veterans who served in the United States Armed Forces in Vietnam; and

(2) encourages the people of the United States to observe "Welcome Home Vietnam Veterans Day" with appropriate ceremonies and activities that promote awareness of the contributions of veterans who served in the United States Armed Forces in Vietnam and the importance of helping such veterans readjust to civilian life.

SENATE RESOLUTION 90—EXPRESSING THE SENSE OF THE SENATE REGARDING THE FIFTH SUMMIT OF THE AMERICAS, HELD IN PORT OF SPAIN, TRINIDAD AND TOBAGO, APRIL 17, 18, AND 19, 2009

Mr. KERRY (for himself, Mr. LUGAR, Mr. DODD, Mr. MENENDEZ, and Mr. NELSON of Florida) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 90

Whereas the First Summit of the Americas, held in December 1994 in Miami, Florida, resulted in a comprehensive Plan of Action, issued by the region's democracies, which included initiatives on strengthening democracy, promoting human rights, combating corruption, furthering sustainable economic development, encouraging environmental conservation, and committing to access to universal basic education and health care throughout the Americas;

Whereas 3 Summits of the Americas and 2 Special Summits of the Americas have been convened since 1994, resulting in additional initiatives on sustainable development, strengthening democratic practices and good governance, the environment, economic relations, combating HIV/AIDS and other diseases, and numerous other areas of mutual interest and shared responsibility throughout the Western Hemisphere;

Whereas on July 21, 2008, the Draft Declaration of Commitment by the Summit Implementation Review Group proposed an agenda for the Fifth Summit of the Americas to discuss promoting human prosperity, energy security, environmental sustainability, public security, democratic governance, and the Summit's implementation and review process; and

Whereas on February 10, 2009, President Barack Obama stated that he would attend the Fifth Summit of the Americas to "create the kind of partnership based on respect that the people of Latin America are looking for and that will be beneficial to the United States": Now, therefore, be it

Resolved, That it is the sense of the Senate—

(1) to express support for the Fifth Summit of the Americas as an effective multilateral forum, convened in the spirit of cooperation and partnership for the 34 democratically elected heads of state of the region to address shared challenges and foster collaboration throughout the Western Hemisphere;

(2) that the Fifth Summit provides the United States with an early opportunity to reinvigorate and strengthen its engagement with the countries of the Western Hemisphere, especially in—

(A) finding common solutions to the global economic crisis;

(B) promoting energy security; and

(C) combating threats to public and personal security, including threats from terrorism, international narcotics cartels, and organized criminal groups;

(3) that the United States is prepared to work with the countries of the Western Hemisphere on advancing an agenda of human prosperity, including—

(A) encouraging multilateral development institutions to invest in micro- to medium-sized enterprises;

(B) continuing the fight against HIV/AIDS, vector-borne, and noncommunicable diseases;

(C) raising the standard of living of the people in the region who currently live in poverty;

(D) eradicating child labor;

(E) recommitting to the Millennium Development Goals; and

(F) supporting investment in public health and education throughout the Western Hemisphere;

(4) that the United States should use the Fifth Summit of the Americas to strengthen cooperation by working with other nations to formulate and implement a regional energy strategy to promote—

(A) increased technology and information sharing;

(B) regulatory harmonization;

(C) integration; and

(D) renewable and alternative energy sources;

(5) to welcome civil society and nongovernmental organizations at the Fifth Summit, and to encourage their observation and active participation in the Summit's decision-making process to strengthen democratic governance, the rule of law, freedom of the press, and civil society in the Western Hemisphere; and

(6) to set achievable and measurable goals, based on areas of consensus, and to strengthen followup mechanisms to review the implementation, reporting, and progress of Summit initiatives.

SENATE RESOLUTION 91—CALLING ON THE CONSUMER PRODUCT SAFETY COMMISSION, THE SECRETARY OF THE TREASURY, AND THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT TO TAKE ACTION ON ISSUES RELATING TO DRYWALL IMPORTED FROM CHINA

Mr. NELSON of Florida (for himself and Ms. LANDRIEU) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. RES. 91

Whereas between 2006 and late 2007, more than 550,000,000 pounds of drywall and associated building materials were imported from China to the United States;

Whereas not less than 300,000,000 pounds of drywall were imported from China to the State of Florida, enough to build approximately 36,000 homes;

Whereas not less than 60,000,000 pounds of drywall were imported from China to the State of Louisiana, enough to build approximately 7,000 homes;

Whereas media reports indicate that drywall imported from China was also used in homes in no fewer than 10 other States, including Georgia, Mississippi, North Carolina, South Carolina, Texas, and Virginia;

Whereas testing by officials of the State of Florida found that drywall imported from China contains potentially hazardous levels of strontium sulfide, which, when exposed to moisture and humidity, can release hydrogen sulfide into the air;

Whereas emissions from drywall imported from China have caused substantial safety hazards in homes containing such drywall, including corrosion in electrical wiring, which can result in a fire hazard, failure of air conditioning units, and the failure of other household electrical products; and

Whereas preliminary testing shows that the drywall may also be responsible for certain health hazards: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Consumer Product Safety Commission should—

(A) initiate a formal proceeding to investigate drywall imported from China during the period from 2004 through 2007;

(B) prohibit the further importation of drywall and associated building products from China;

(C) order a recall of hazardous Chinese drywall; and

(D) use its existing authority under the Consumer Product Safety Improvement Act of 2008 (Public Law 110-314; 122 Stat. 3016) and the Federal Hazardous Substances Act (15 U.S.C. 1261 et seq.) to seek civil penalties against the drywall manufacturers in China that produced or distributed hazardous drywall and their subsidiaries in the United States to cover the cost of the recall effort and other associated remediation efforts; and

(2) the Secretary of the Treasury and the Secretary of Housing and Urban Development should—

(A) use all available measures, including civil forfeiture authority, to ensure that the costs of homeowner assistance efforts are borne by the drywall manufacturers in China that produced or distributed hazardous drywall and their subsidiaries in the United States and not by the taxpayers of the United States; and

(B) develop meaningful Federal tax incentives to help offset the expense of costly drywall repairs for struggling homeowners already suffering from depressed home values and negative economic conditions.

SENATE CONCURRENT RESOLUTION 14—SUPPORTING THE LOCAL RADIO FREEDOM ACT

Mrs. LINCOLN (for herself and Mr. BARRASSO) submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. CON. RES. 14

Whereas the United States enjoys broadcasting and sound recording industries that are the envy of the world, due to the symbiotic relationship that has existed among these industries for many decades;

Whereas, for more than 80 years, Congress has rejected repeated calls by the recording industry to impose a performance fee on local radio stations for simply playing music on the radio and upsetting the mutually beneficial relationship between local radio and the recording industry;

Whereas local radio stations provide free publicity and promotion to the recording industry and performers of music in the form of radio air play, interviews with performers, introduction of new performers, concert promotions, and publicity that promotes the sale of music, concert tickets, ring tones, music videos, and associated merchandise;

Whereas Congress found that ''the sale of many sound recordings and the careers of many performers benefited considerably from airplay and other promotional activities provided by both noncommercial and advertiser-supported, free over-the-air broadcasting'';

Whereas local radio broadcasters provide tens of thousands of hours of essential local news and weather information during times of national emergencies and natural disasters, such as September 11th and Hurricanes Katrina and Rita, as well as public affairs programming, sports, and hundreds of millions of dollars of time for public service announcements and local fund raising efforts for worthy charitable causes, all of which are jeopardized if local radio stations are forced to divert revenues to pay for a new performance fee;

Whereas there are many thousands of local radio stations that will suffer severe economic hardship if any new performance fee is imposed, as will many other small businesses that play music including bars, restaurants, retail establishments, sports and other entertainment venues, shopping centers, and transportation facilities; and

Whereas the hardship that would result from a new performance fee would hurt American businesses, and ultimately the American consumers who rely on local radio for news, weather, and entertainment, and such a performance fee is not justified when the current system has produced the most prolific and innovative broadcasting, music, and sound recording industries in the world: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress should not impose any new performance fee, tax, royalty, or other charge relating to the public performance of sound recordings on a local radio station for broadcasting sound recordings over the air, or on any business for such public performance of sound recordings.

AMENDMENTS SUBMITTED AND PROPOSED

SA 730. Mr. REID (for himself, Mr. ENSIGN, Ms. CANTWELL, and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; which was ordered to lie on the table.

SA 731. Mr. THUNE submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, supra.

SA 732. Mr. KERRY (for himself and Mr. LUGAR) submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, supra; which was ordered to lie on the table.

SA 733. Mr. CRAPO (for himself, Mr. GRAHAM, Mr. VITTER, Mr. BROWNBACK, and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, supra; which was ordered to lie on the table.

SA 734. Mr. CRAPO submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, supra; which was ordered to lie on the table.

SA 735. Mr. JOHANNS proposed an amendment to the concurrent resolution S. Con. Res. 13, supra.

SA 736. Mr. BOND submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, supra; which was ordered to lie on the table.

SA 737. Mr. BOND submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, supra; which was ordered to lie on the table.

SA 738. Mr. BOND submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 730. Mr. REID (for himself, Mr. ENSIGN, Ms. CANTWELL, and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; which was ordered to lie on the table; as follows:

At the end of Title II, insert the following:

SEC.___. RESERVE FUND TO PROMOTE TAX EQUITY FOR STATES WITHOUT PERSONAL INCOME TAXES.

The Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would provide for the permanent extension of the deduction for state and local sales taxes, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SA 731. Mr. THUNE submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; as follows:

On page 33, line 21, after ''economy,'' insert ''without increasing electricity or gasoline prices,''.

SA 732. Mr. KERRY (for himself and Mr. LUGAR) submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014.; which was ordered to lie on the table; as follows:

On page 10, line 20, increase the amount by $4,000,000,000.

On page 10, line 21, increase the amount by $1,896,000,000.

On page 10, line 25, increase the amount by $1,104,000,000.

On page 11, line 4, increase the amount by $476,000,000.

On page 11, line 8, increase the amount by $272,000,000.

On page 11, line 12, increase the amount by $116,000,000.

On page 27, line 23, decrease the amount by $4,000,000,000.

On page 27, line 24, decrease the amount by $1,896,000,000.

On page 28, line 3, decrease the amount by $1,104,000,000.

On page 28, line 7, decrease the amount by $476,000,000.

On page 28, line 11, decrease the amount by $272,000,000.

On page 28, line 15, decrease the amount by $116,000,000.

SA 733. Mr. CRAPO (for himself, Mr. GRAHAM, Mr. VITTER, Mr. BROWNBACK, and Mr. VOINOVICH) submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. 2____. DEFICIT-NEUTRAL RESERVE FUND FOR INNOVATIVE LOAN GUARANTEE PROGRAM OF THE DEPARTMENT OF ENERGY.

(a) IN GENERAL.—Subject to subsection (b), the Chairman of the Committee on the Budget of the Senate may revise the allocations, aggregates, and other levels in this resolution by the amounts provided by a bill, joint resolution, amendment, motion, or conference report that authorizes an additional $50,000,000,000 for use to provide loan guarantees for eligible projects under title XVII of the Energy Policy Act of 2005 (42 U.S.C. 16511 et seq.).

(b) DEFICIT NEUTRALITY.—Subsection (a) applies only if the legislation described in subsection (a) would not increase the deficit over the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SA 734. Mr. CRAPO submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. 2____. DEFICIT-NEUTRAL RESERVE FUND FOR NUCLEAR RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—Subject to subsection (b), the Chairman of the Committee on the Budget of the Senate may revise the allocations, aggregates, and other levels in this resolution by the amounts provided by a bill, joint resolution, amendment, motion, or conference report that authorizes nuclear research and development activities, including the Generation IV program, the Advanced Fuel Cycle Initiative, and the Light Water Reactor Sustainability program.

(b) DEFICIT NEUTRALITY.—Subsection (a) applies only if the legislation described in subsection (a) would not increase the deficit over the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SA 735. Mr. JOHANNS proposed an amendment to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; as follows:

Section 202 is amended by inserting at the end the following: ''(c) The Chairman of the Senate Committee on the Budget shall not revise the allocations in this resolution if the legislation provided for in subsections (a) or (b) is reported from any committee pursuant to section 310 of the Congressional Budget Act of 1974.''

SA 736. Mr. BOND submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; which was ordered to lie on the table; as follows:

On page 33, line 21, after ''economy,'' insert ''without causing significant job loss in regions of the United States vulnerable to manufacturing or energy-intensive job loss such as the coal-dependent Midwest, Great Plains and South,''.

SA 737. Mr. BOND submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; which was ordered to lie on the table; as follows:

On page 33, line 21, after ''economy,'' insert ''without increasing fertilizer, diesel, gasoline, electricity or natural gas prices,''.

SA 738. Mr. BOND submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 13, setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014; which was ordered to lie on the table; as follows:

On page 33, line 21, after ''economy,'' insert ''without increasing residential retail electricity, natural gas or home heating oil prices,''.

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. DORGAN. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, April 2, 2009, at 2:15 p.m. in room 628 of the Dirksen Senate Office Building to conduct a hearing on the following bills: S. 313, White Mountain Apache Tribe Water Right Quantification Act, S. 443, the Hoh Indian Tribe Safe Homelands Act, S. 633, the Tribal Health Promotion and Tribal Colleges and Universities Advancement Act, and H.R. 326, the Cocopah Lands Act.

Those wishing additional information may contact the Indian Affairs Committee at 202–224–2251.

PRIVILEGES OF THE FLOOR

Mr. CONRAD. Mr. President, I ask unanimous consent that Michael Feldman, a congressional fellow on the Budget Committee, be granted the privilege of the floor for the duration of the consideration of S. Con. Res. 13.

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

Mr. CONRAD. Mr. President, I ask unanimous consent that Democratic Budget Committee staff members John Righter, Steve Posner, Joel Friedman, and Republican Budget Committee staff members Jim Hearn, David Fisher, and Jim Carter be granted floor privileges and floor passes during the consideration of S. Con. Res. 13.

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

GREENSBURG, KANSAS RECOVERY EXTENSION ACT

Mr. CONRAD. Mr. President, I ask unanimous consent that the HELP Committee be discharged from further consideration of S. 681 and the Senate proceed to its immediate consideration.

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

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 681) to provide for special rules relating to assistance concerning the Greensburg, Kansas tornado.

There being no objection, the Senate proceeded to consider the bill.

Mr. CONRAD. Mr. President, I ask unanimous consent that the bill be read a third time and passed, a motion to reconsider be laid upon the table, and any statements relating to the measure be printed in the RECORD.

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

The bill (S. 681) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 681

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Greensburg, Kansas Recovery Extension Act''.

SEC. 2. AVAILABILITY OF FUNDS TO ADDRESS GREENSBURG, KANSAS TORNADO.

Notwithstanding any other provision of law, in the case of any national emergency grant that was made under section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) to address the effects of the May 4, 2007, Greensburg, Kansas tornado, funds made available for such grant shall remain available for expenditure through June 30, 2010.

WELCOME HOME VIETNAM VETERANS DAY

Mr. CONRAD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 89 which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 89) expressing support for designation of a ''Welcome Home Vietnam Veterans Day.''

There being no objection, the Senate proceeded to consider the resolution.

Mr. CONRAD. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

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

The resolution (S. Res. 89) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 89

Whereas the Vietnam War was fought in Vietnam from 1961 to 1975, and involved North Vietnam and the Viet Cong in conflict with United States Armed Forces and South Vietnam;

Whereas the United States became involved in Vietnam because policy-makers in the United States believed that if the Government of South Vietnam fell to a communist government then communism would spread throughout the rest of Southeast Asia;

Whereas members of the United States Armed Forces began serving in an advisory role to the Government of South Vietnam in 1961;

Whereas, as a result of the Gulf of Tonkin incidents on August 2 and 4, 1964, Congress overwhelmingly passed the Gulf of Tonkin Resolution (Public Law 88–408), on August 7, 1964, which effectively handed over war-making powers to President Johnson until such time as ''peace and security'' had returned to Vietnam;

Whereas, in 1965, United States Armed Forces ground combat units arrived in Vietnam;

Whereas, by the end of 1965, there were 80,000 United States troops in Vietnam, and by 1969 a peak of approximately 543,000 troops was reached;

Whereas, on January 27, 1973, the Treaty of Paris was signed, which required the release of all United States prisoners-of-war held in North Vietnam and the withdrawal of all United States Armed Forces from South Vietnam;

Whereas, on March 30, 1973, the United States Armed Forces completed the withdrawal of combat troops from Vietnam;

Whereas more than 58,000 members of the United States Armed Forces lost their lives in Vietnam and more than 300,000 members of the Armed Forces were wounded;

Whereas, in 1982, the Vietnam Veterans Memorial was dedicated in the District of Columbia to commemorate those members of the United States Armed Forces who died or were declared missing-in-action in Vietnam;

Whereas the Vietnam War was an extremely divisive issue among the people of the United States;

Whereas members of the United States Armed Forces who served bravely and faithfully for the United States during the Vietnam War were caught upon their return home in the crossfire of public debate about the involvement of the United States in the Vietnam War;

Whereas the establishment of a ''Welcome Home Vietnam Veterans Day'' would be an appropriate way to honor those members of the United States Armed Forces who served in Vietnam during the Vietnam War; and

Whereas March 30, 2009, would be an appropriate day to establish as ''Welcome Home Vietnam Veterans Day'': Now, therefore, be it

Resolved, That the Senate—

(1) honors and recognizes the contributions of veterans who served in the United States Armed Forces in Vietnam; and

(2) encourages the people of the United States to observe ''Welcome Home Vietnam Veterans Day'' with appropriate ceremonies and activities that promote awareness of the contributions of veterans who served in the United States Armed Forces in Vietnam and the importance of helping such veterans readjust to civilian life.

ORDERS FOR TUESDAY, MARCH 31, 2009

Mr. CONRAD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. tomorrow, Tuesday, March 31; that following the prayer and the pledge, the Journal of the proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of S. Con. Res. 13, the concurrent resolution on the budget, under the previous order.

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

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. CONRAD. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 6:42 p.m., adjourned until Tuesday, March 31, 2009, at 10 a.m.