

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized under a previous order.

Mr. CORNYN. Mr. President, I would request I be notified when I have used 12 minutes.

Mr. President, I wish to join my colleague from New Hampshire in raising some alarm—not intemperate, not hysterical alarm, but alarm nonetheless—about the recent reports that the Federal deficit has now risen in excess of \$400 billion. Of course, what that means is that the Federal Government continues to spend money it does not have, and I think the American people are rightfully concerned that we are on a course of significant fiscal irresponsibility for which a tremendous price is going to be paid by our children and grandchildren.

The Senator from New Hampshire mentioned the fact that here we are in September, and this Congress, under the Democratic control conferred upon them in the last election, has yet to pass a single appropriations bill. I know that in the blame game—which in Washington, DC, is a world-class sport—our colleagues on the other side of the aisle like to point to the President of the United States as the person responsible for the high budget deficit. But the fact is that the President can't appropriate a penny of money. The President does not have that authority under the Constitution of the United States. Only Congress can appropriate money, and Congress is the one that should bear the responsibility for this tremendous state of fiscal neglect and irresponsibility that brings us here today.

We also know that in this election season, Senator OBAMA, our colleague from Illinois, has already proposed \$350 billion in new Federal spending. The \$400 billion deficit apparently is not enough to satisfy Senator OBAMA. He wants to spend \$350 billion more in new spending. And these are not on existing spending programs, this is new spending. Over 5 years, his proposals would cost almost \$1.7 trillion. Well, I have to tell you that in the 5 weeks I was back in Texas traveling the State and listening to my constituents, the last thing that was on their to-do list for us here in Congress was to come up with new ways to spend their money. What they wanted was for Congress to accept the responsibility that goes along with the privilege of holding the offices we hold and to actually do something about the problems that confront our Nation when it comes to fiscal irresponsibility.

It is a troubling sign that our deficit has ballooned from \$161 billion to more than \$400 billion. Yet what do we find out yesterday or the day before but that the Federal Government is now going to have to take over, in essence, Freddie Mac and Fannie Mae. This move could potentially cost taxpayers as much as \$200 billion more on top of the \$400 billion deficit.

Since the 2006 election, Democrats have been in control. And this year alone, spending has increased by 8.3 percent. Now, I don't know any business, I don't know any family who increased their spending 8.3 percent from last year to this year. Only the Federal Government—which, of course, prints money, which is then added to the deficit and the bill passed on to our children and grandchildren—only the Federal Government could get away with that.

Regarding the Fannie Mae and Freddie Mac debacle, no one actually knows how much this bailout is going to cost the American taxpayer. I have very serious concerns whether the poor investment decisions of the CEOs and the shareholders should be guaranteed by the paychecks of taxpayers.

As a matter of fact, I think they should not be. While they were granted a backstop against catastrophic losses, certainly the taxpayers were not there to share in the profit during the heyday of those Government-sponsored enterprises. And the most disturbing to me is that the collapse of Fannie and Freddie was, in all likelihood, contributed to by corrupt actions of its corporate officers.

As a matter of fact, in May of 2006, a report by Fannie Mae's oversight authority, the Office of Federal Housing Enterprise Oversight, noted that:

By deliberately and intentionally manipulating accounting to hit earnings targets, senior management maximized bonuses and the executive compensation they received at the expense of shareholders.

Now, there was an investigation into these corrupt practices. But, amazingly enough, there were no criminal charges pursued, only civil fines against the top three corporate officers. So while three corporate officers overstated Fannie Mae's earnings by approximately \$10.6 billion, they have been given a slap on the wrist and no real sense of accountability, no accountability in any sense of the word.

We know they contributed to what ultimately happened by the Treasury Secretary using the power Congress conferred in him to essentially take over and bail out these two enterprises.

I have written a letter to the Attorney General of the United States asking him to conduct a criminal investigation into the activities of the corporate officers and anyone else who may have contributed to the overstatement of assets on the books of Fannie Mae and Freddie Mac and to make sure a thorough criminal investigation is undertaken and that those responsible for violating any of the criminal laws of the United States be held accountable.

Mr. President, I ask unanimous consent that this letter to the Attorney General be printed in the RECORD after my remarks.

The PRESIDING OFFICER (Mr. NELSON of Nebraska.) Without objection, it is so ordered.

(See exhibit 1.)

Mr. CORNYN. What the American people want in Washington is accountability. And what they see is dysfunction and no accountability. If there is one thing I heard from my constituents in Texas as I was there during the month of August is that no one is happy with what is happening in Washington, in Congress in particular, not Democrats, not Republicans, and certainly not me.

I think to see, for example, a \$400-billion-plus deficit, a bailout of Fannie Mae and Freddie Mac that is going to cost probably somewhere on the order of \$200 billion, and then to hear Speaker PELOSI in the other body talk about a second stimulus bill which is going to, of course, increase Government spending, spending money we do not have and pass that debt along to our children and grandchildren, I wonder whether Congress has lost leave of its senses entirely, because there seems to be absolutely no recognition of our fiscal responsibility here. I point to the fact that there has actually been an effort to try to figure out how to eliminate wasteful spending projects. The Office of Management and Budget has done a review of about 1,000 Government programs and actually concluded that about 22 percent of them were either ineffective or else they could not tell whether they were effective.

In other words, out of 1,000 Government programs chosen by the Office of Management and Budget, 22 percent were either found ineffective or else it was impossible to say whether they were effective. I do not know which is worse, whether they are ineffective or whether you do not have the information to tell one way or the other.

What Congress needs to do as it sets about spending more money is not grow the size of Government and raise taxes or else pass the bills down to our children and grandchildren. Congress needs to start cutting ineffective programs. That is why I have introduced a bill that would create a sunset commission like the sunset commission in many States, including mine, which would actually periodically review Federal Government agencies and programs and cut wasteful or ineffective programs.

That is the kind of commonsense, practical, bipartisan solution the American people are crying out for, but apparently in vain, because Congress persists down this road of fiscal irresponsibility, and there is no apparent end in sight.

#### DEFENSE AUTHORIZATION

Mr. CORNYN. Mr. President, I know we are going to be moving to the Defense authorization bill. I want to speak briefly on an amendment which I intend to offer called the Military Voter Protection Act. I believe the right to vote is one of the most precious civil rights we have as American citizens. Yet the scandalous fact is that last election, in 2006, out of all of

the eligible military voters and civilians overseas, only 5.5 percent of those eligible to vote and who actually tried to cast a vote had their vote counted—5.5 percent.

Now, if this were to happen in any city, in any town, any State here in our country, there would be a major public outcry. There would be newspaper headlines, and investigative reporters would be scrounging for information finding out who is denying the most basic civil right to American citizens that we have, which is the right to vote.

But for some reason nothing is done, either by the Department of Defense or the Department of Justice or by the Congress to make sure that those men and women who are deployed in harm's way have the opportunity to register to vote, and to make sure that when they do vote, their ballot is actually delivered back and counted on a timely basis.

This is something that I think all of us would support on a bipartisan basis, the Military Voting Protection Act. I intend to bring it up this morning with both the bill managers, Senator LEVIN and Senator WARNER. I hope I will be permitted an opportunity—

The PRESIDING OFFICER. The Senator has used 12 minutes.

Mr. CORNYN. I thank the Chair. I hope I will be given an opportunity to call up this amendment and to have it voted on. I worry a little bit because of the fact that the majority leader has filled the amendment tree, and that there is some question whether amendments will be allowed on this bill.

As a member of the Senate Armed Services Committee, as is the occupant of the chair, I am usually familiar with the fact we are on Defense authorization bills for a matter of a week or more, usually 2 or 3 weeks, and it is usually a much amended bill because of the public interest in this particular piece of legislation.

I am worried that the majority leader is trying to compress all activity into this 1 week and we will not have an opportunity to offer important amendments such as the Military Voting Protection Act, which I have described, which I will come back to the floor and describe more thoroughly.

After a very bad year here in the Senate, we still have about 2½ weeks in order to pull the chestnuts out of the fire and actually accomplish some very important things by passing a Defense authorization bill, including protecting the voting rights of our military deployed overseas.

We have a chance to stand up for fiscal responsibility by actually passing some appropriations bills and by considering high energy prices and how those are affecting average Texas families and families all across this country, and driving up the cost of food and other commodities as well.

We actually have an opportunity, by eliminating the moratorium on offshore oil exploration and production,

to produce more American energy so we do not have to send \$700 billion a year overseas to other countries in order to buy something which we have an abundance of right here at home, as much as 3 million additional barrels a day right here in the United States, if Congress would simply become part of the solution rather than becoming part of the problem, which it has been by annually passing an appropriations bill rider banning drilling and exploration and production in the Outer Continental Shelf.

Last year, there was an amendment to an appropriations bill that would actually ban rulemaking and exploration and production of oil shale out in Utah, Colorado, and Wyoming, which has enormous capacity to produce a lot more American energy at home.

And then, of course, there is ANWR, where 2,000 acres, right in the middle of a desolate part of a 19-million acre refuge in Alaska, harbor untold amounts of oil, American oil, that would obviously, if produced, make it possible for us to buy less from countries that in some cases wish us harm and not well.

This is a national security problem. It is an economic problem not only for our country but for every hard-working family. I hope Congress will do what it has not done in the preceding months and actually act in a bipartisan way to solve some of these problems which I mentioned in a way that hopefully would make our constituents proud of us rather than disdainful, which is demonstrated, of course, by the historic low approval rating which Congress now—I was going to say enjoys, but certainly we do not enjoy that—now suffers.

#### EXHIBIT 1

U.S. SENATE,

Washington, DC, September 9, 2008.

Hon. MICHAEL B. MUKASEY,  
Attorney General, U.S. Department of Justice,  
Washington, DC.

DEAR GENERAL MUKASEY: The recent government takeover of the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac") raises serious concerns whether a well-documented culture of corporate executive corruption at these organizations contributed to the mortgage giants' collapse. I request that the Department of Justice begin a new, full-scale investigation into accounting fraud and other corrupt practices perpetuated by top executives—and coordinate efforts with the Department of Treasury and other regulatory entities to determine to what extent any illegal activities led to the institutions' failure. The public deserves a full understanding of the events surrounding the failure of Fannie Mae and Freddie Mac and, furthermore, corporate executives must be held accountable to the American people.

In May 2006, a report by Fannie Mae's oversight authority, the Office of Federal Housing Enterprise Oversight (OFHEO), noted that "[b]y deliberately and intentionally manipulating accounting to hit earnings targets, senior management maximized the bonuses and other executive compensation they received, at the expense of shareholders." The investigation into illegal accounting practices resulted in fines levied on Fannie Mae and three of its top corporate of-

ficers—but no criminal charges. While the three corporate officers who overstated Fannie Mae's earnings by approximately \$10.6 billion may possess some form of prosecutorial immunity, it is imperative that there is accountability for each and every fraud perpetrated upon shareholders and the public. Moreover, the efficacy of prior investigations by OFHEO and Justice are further called into question in light of evidence of disturbing allegations of active interference on the part of Fannie Mae lobbyists. According to the OFHEO report, Fannie Mae "sought to interfere" with the OFHEO investigation by petitioning Congress to conduct a separate investigation of OFHEO. Furthermore, they allegedly lobbied Congress to cut OFHEO's funds for failure to fire the top official responsible for investigating Fannie Mae.

As the future of Fannie Mae and Freddie Mac is debated, it is essential for Congress to shine more light on the culture of corruption that plagued these institutions. But federal prosecutors and regulators also must vigorously investigate these institutions with the utmost urgency. Shareholders—indeed, all taxpayers—are entitled to a critical examination of Fannie Mae and Freddie Mac in light of the huge costs they are forced to bear as a result of the mortgage companies' demise.

Thank you for your prompt attention to this matter.

Sincerely,

JOHN CORNYN,  
U.S. Senator.

Mr. CORNYN. I yield the floor and yield back any remaining time we have, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

#### NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2009

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 3001, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 3001) to authorize appropriations for fiscal year 2009 for military activities of the Department of Defense, for military construction, and for defense activities for the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

Pending:

Reid amendment No. 5290, to change the enactment date.

Reid amendment No. 5291 (to amendment No. 5290), of a perfecting nature.

Motion to recommit the bill to the Committee on Armed Services with instructions to report back forthwith, with Reid amendment No. 5292 (to the instructions of the motion to recommit), to change the enactment date.