

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

The legislative clerk proceeded to call the roll.

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 I ask unanimous consent that the order for the quorum call be rescinded.

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

#### HEALTH CARE REFORM

Mr. KYL. Mr. President, all eyes are on the Senate now with respect to the health care debate, because the Finance Committee has essentially completed work on the legislation and sometime this week is expected to vote on it, thus making it possible for that bill to come to the Senate floor. The question is, what do people think about the bill we debated and amended in the committee over a period of 2 weeks? Going back over my notes about all of the amendments we proposed and the discussion we had, a couple of things stuck out. First, Republicans have always said we believed it was important to address some of the problems that exist in our current system, problems with insurance and also health care delivery, primarily to bring costs down for all Americans and, in particular, for small businesses that provide insurance to employees, that there were some people who simply couldn't afford to buy insurance and we needed to find a way to help them as well.

Republicans offered scores of amendments. Virtually all of them were rejected. One or two were accepted. We had a lot of good ideas. I am sorry the Democratic majority turned down our ideas. We will offer some of those alternatives when the bill comes to the floor and perhaps hope for a better reception. It isn't as if Republicans didn't have good ideas on how to address the problems. Our ideas were rejected. Instead, we end up with a bill, and I thought: What is the best way to describe the bill? I decided maybe I could identify 10 problems with it as a way of illustrating what is of concern. These may not be the most important 10 problems. There are certainly a lot of other issues, but here are 10 reasons I came up with this morning for the American people to think about and for Senators to think about that would be problems and reasons for us to oppose the bill.

The first has to do with senior citizens who are on Medicare, because the bill cuts \$500 billion from Medicare. In July, President Obama spoke at the AARP tele-townhall event and said:

I think there is a misperception that's been out there that somehow there is any discussion on Capitol Hill about reducing Medicare benefits. Nobody is talking about reducing Medicare benefits.

The problem is, this is not a misconception. We are not only talking about reducing Medicare benefits. That is exactly what the Finance Committee bill does. The Baucus bill will reduce

Medicare benefits for millions of seniors to pay for a new health care bureaucracy.

This isn't just my word. Here is the nonpartisan Congressional Budget Office estimating that the Baucus bill would cut Medicare by nearly \$500 billion in the following ways: \$210.9 billion in cuts to hospitals, nursing homes, home health care, and hospice; \$123.5 billion in cuts to private Medicare plans known as Medicare Advantage. Here is what the CBO says about that. They estimate that the extra benefits offered by Medicare Advantage plans, such as preventative screenings, vision and dental care, will drop from \$125 per month to only \$42 per month under the Baucus bill, a direct reduction in benefits for seniors.

Misconception about reducing benefits? No. Real dollars, \$123.5 billion in cuts to Medicare Advantage plans which will, according to CBO, cut benefits for seniors.

There is \$22.6 billion in savings supposedly from a Medicare commission which Chairman BAUCUS has noted are executive branch cuts. These will be direct cuts to Medicare. And there is \$4.6 billion in cuts to imaging services, wheelchairs, and physician-owned hospitals. Some of these cuts will directly reduce benefits such as those benefits offered by Medicare Advantage plans I mentioned. Others will do so indirectly as, for example, when doctors are paid less or home health care is cut. The bottom line is, it is disingenuous to say that Congress can cut this much spending, \$500 billion from Medicare, and not have any detrimental effect on seniors' care. Medicare savings should be used to preserve and strengthen Medicare, not shifted to pay for new entitlement programs.

Reason No. 2, rationing of care. I think at the end of the day, this is probably the most worrisome thing to me. And it is worrisome to a lot of senior and nonsenior citizens who can see their care being rationed under this legislation. The Baucus bill would create a new nonprofit corporation known as the Patient Centered Outcomes Research Institute to conduct what is known as comparative effectiveness research. Billions have been spent in the private sector to identify the best kind of treatment and care available, especially for cutting-edge technologies and treatments for patients' care. For the first time, this bill takes government money to conduct the research, and the net result of it will be to ration care.

The bill, for example, asserts that the Secretary of HHS can use this comparative effectiveness research when making coverage determinations. Coverage determinations are what Medicare is going to cover, what they will pay for; in other words, what kind of treatment one gets to have.

I am quoting now from the bill:

The secretary would be required to use an iterative and transparent process when using research from the institute in making coverage determinations.

That is what they intend to do.

You will hear people say: Oh, no, that is not our intention. Well, these are the words of the bill. As a matter of fact, there is over \$1 billion that was passed in the stimulus bill that is going to be used by a new Federal agency called the Federal Coordinating Council, to use comparative effectiveness research as the basis for rationed care. So you have this nonprofit entity as well as a Federal entity, both of which will use this research for coverage determinations.

As I said, a lot of folks, particularly on the other side, say: Well, we don't support the rationing of care. We are against it too. Yet every single Republican amendment that was offered to make sure this research could not be used to ration care was defeated on party-line votes in the Finance Committee. The Republicans supported the amendments to ensure no rationing. The Democrats opposed all these amendments.

There is another way the bill is very arbitrary and will result in the rationing of care. It arbitrarily singles out 10 percent of the Nation's physicians every single year and cuts their reimbursements under Medicare by 5 percent. What they are doing is saying those doctors who spend more than other doctors—the doctors in the top 10 percent of spending—are going to have their reimbursements cut at the end of the year because, presumably, that spending was unnecessary. Well, how do we know that? Why isn't it the top 5 percent? Why isn't it the top 20 percent? It is a purely arbitrary number.

As I was discussing this on Saturday morning with a prominent physician, he said: The problem is the physicians who will get their reimbursements cut are the real experts to whom all the other physicians refer their toughest patients. I have seen that happen. I go to the doctor, and my physician says: I am not sure about this. I want you to go see a specialist in this area, and he sends me to somebody else. That doctor may prescribe something that costs a little more money, but he knows that is what I need. Well, he is going to get whacked by 5 percent. Obviously, this will result in a race to the bottom, where doctors will be encouraged to underspend one another rather than ensure the appropriate care is delivered to their patients.

Even the Budget Committee chairman, who sits on the Finance Committee, Senator CONRAD, said the provision "leaves me cold." Well, it leaves me cold too. But every Democrat on the Finance Committee voted against my amendment to eliminate this provision.

There was a recent editorial in the Washington Times that illustrates the problem with this. I quote now:

... if a doctor authorizes expensive care, no matter how successfully, the government will punish him by scrimping on what already is a low reimbursement rate for treating Medicare patients. The incentive, therefore, is for the doctor always to provide less

care for his patients for fear of having his payments docked.

That is wrong. The editorial concludes this way:

And because no doctor will know who falls in the top 10 percent until year's end, or what total average costs will break the 10 percent threshold, the pressure will be intense to withhold care, and withhold care again, and then withhold it some more. Or at least to prescribe cheaper care, no matter how much less effective, in order to avoid the penalties.

Withholding care, denial of care, delay of care—it is rationing. So the rationing of care is both direct through the use of the comparative effectiveness research or, in this case, indirect, forcing the doctors, in effect, to do the dirty work for Washington by withholding care.

Here is a third reason: waste, fraud, and abuse. The bill purports to attack waste, fraud, and abuse. But let me tell you about a little provision in the bill, and you tell me whether you think this is subject to abuse. Early Friday morning; that is to say, after midnight Thursday night, the chairman rolled into the bill an amendment that would "streamline" enrollment in Medicaid, the Children's Health Insurance Program, and the new premium tax credits program under the bill.

Specifically, this amendment would provide a single application form for all three subsidy programs. The form can be filed online, in person, by mail or telephone. You heard me right: by telephone. How will a State Medicaid agency know if the person is truly eligible for the program, if the person is a U.S. citizen or is even the person he or she purports to be? Poll after poll shows the American people believe fraud, waste, and abuse should be addressed prior to creating new government programs. The Baucus bill exacerbates the fraud, waste, and abuse inherent in Federal public health programs.

A fourth reason: rising health insurance premiums. You all heard that under this legislation, health care is going to cost less. Wrong. Health care is going to cost more. Rather than reducing the cost of premiums, they are going to go up under the bill. Do not take my word for it. Here is the Congressional Budget Office, again, nonpartisan:

Premiums in the new insurance exchanges would tend to be higher than the average premiums in the current-law individual market.

That is according to the Congressional Budget Office. Premiums will be higher than the average of premiums under current law.

The bill provides that every insurance company has to offer at least two particular kinds of insurance and they cannot offer any more than four. The lowest actuarial value they can offer is 65 percent. What does that mean? Individuals will have to buy richer health insurance plans with higher premiums than they would under the current market regardless of their financial or medical circumstances.

The average actuarial value of an individual insurance plan today, accord-

ing to the Congressional Budget Office, ranges "from 40 percent to 80 percent, with an average value that is between 55 and 60 percent." The bill, remember, mandates that the very lowest is 65 percent, which means it is going to be more than, higher than the value that currently exists for most and for the average. In my State, the average actuarial value for an individual plan is 61 percent. The average value for a high-deductible health plan is 48 percent.

The bottom line is, the Baucus bill not only mandates that you buy insurance, but you have to buy insurance that is going to have a higher premium than the insurance you pay for today. Part of the reason insurance will cost more is because the Baucus bill would require all insurers to cover a minimum set of standardized benefits in addition to the current State-managed benefits.

The Council for Affordable Health Insurance estimates that current mandated benefits increase the cost of basic health coverage from a little less than 20 percent to perhaps 50 percent. So get ready America, you are going to see your premiums go up under this legislation, not down.

Here is a fifth reason to oppose the bill. Under this legislation, there are penalties on your employer, which will be passed on to you in the form of lower wages. Under the Baucus bill, employers with over 50 employees, that do not offer health insurance to their workers would be required to pay a penalty for each employee who receives a tax credit to purchase coverage through the insurance exchange.

Where does the money come from to pay the penalty? Well, the CBO has warned Congress about so-called free rider proposals. Here is what they say:

Supporters of such surcharges often refer to them as "free rider" penalties.

That is what is in the bill.

Although the surcharges would be imposed on the firms, workers in those firms would ultimately bear the burden of those fees, just as they would with pay-or-play requirements.

Continuing to quote:

Employer surcharges tend to be more targeted. . . . Many of those workers are more likely to have earnings at or near the minimum wage, and the size of such surcharges—if based on actual costs imposed on government programs—could be larger per affected worker than the assessments being considered in many play-or-pay requirements.

What that is saying is, when you put a fee on the employer, that fee is passed on to the employees in the form of lower wages or, in some cases, even fewer workers and that it is most likely to more dramatically affect those who have earnings at or near the minimum wage than those at higher wage scales. So you are hurting the very lowest paid workers.

Senator ENZI offered an amendment in the committee that would have required the Secretary of Labor to certify that the bill would not result in lower wages or in an increase in the unemployment rate before the bill could go into effect. You would think

that would be a good guarantee that the bill would not have the adverse consequences I indicated.

Well, an interesting thing happened in the committee. The amendment first passed 21 to 0. Everyone thought it was a good idea to guarantee that the bill would not reduce people's wages or result in laid-off workers. Yet early in the hours on Friday—in other words, after midnight Thursday night—the Democrats in the committee changed Senator ENZI's amendment into a mere report to Congress. So after first voting in favor of the amendment to ensure that workers' wages would not be reduced, they then came back late and undid what they had passed earlier. Why would they do that, when the first amendment passed 21 to 0? Because, of course, it is an impossible certification under the bill. The bill will reduce wages—CBO said so—and the Democrats in the committee realized, therefore, they could not stick with that certification and have the bill be effective. So wages will be lost and some jobs will be lost.

Well, here is a sixth reason to oppose the bill: If you like your current insurance, you will not be able to keep it. You have heard the President promise this over and over: If you like your current coverage, you will be able to keep it. No, you will not—not under this bill. This has been proven now time and time again. I think it is one of the reasons the President is so sensitive about this. In fact, in his speech to the Congress, he changed his terminology a little bit. He said: If you like your insurance, we will not do anything to require you to change it. He had to change his terminology because, of course, what he was saying before is absolutely false.

By saying the government will not require you to change your plan, that is technically true. But it is lawyers' words. The problem is, the insurance you have now you will not have anymore because it will not exist anymore. No one will require you to change it. It simply will not be available to you. Why not? Well, there are several different reasons.

For seniors, the Baucus bill cuts billions of dollars from the Medicare Advantage Program. That will force those plans to cut benefits under their plans or to drop coverage altogether.

For those who are privately insured, Senator HATCH offered an amendment that would have required the Secretary of HHS to certify the bill would not cause more than 1 million Americans to lose their current coverage. The amendment failed on a party-line vote. Let me repeat that. The Hatch amendment said: Well, we have to at least certify that no more than 1 million people will lose their coverage under this bill. That cannot be certified because that is not what is going to happen. A lot more than 1 million people

are going to lose their coverage. So his amendment lost on a party-line vote.

It is true the Baucus bill does not require insurers to drop coverage for people who like their current health insurance plans, but the practical effect of the bill will be to cause Americans to lose the coverage they currently enjoy.

For the seniors, by the way, under the Medicare Advantage plan, I quoted the numbers earlier. Let me quote them again. CBO estimates the extra benefits offered by the Medicare Advantage plan—such as preventive screenings, vision, and dental care—will drop from \$135 per month to only \$42 per month under the Baucus bill. So you are going to lose over \$90 worth of care, benefits, that you currently have. No, you are not going to be able to keep the insurance you have today, even if you like it.

Here is a seventh reason: This may seem like a small thing to most people, but the precedent is enormously dangerous in our country. We have all seen what happens when the government takes over part of the economy: insurance companies or the bank bailouts or the automobile companies. When the government takes these things over, they begin to make the decisions; for example, setting the pay of the people who work in those companies. It started out just capping the high executives' pay.

Under this bill, however, insurance companies' pay for all employees would be subject to the Federal regulation. If you pay somebody a certain amount of money, you will not be able to deduct it as a part of the ordinary and business expense that you do today. So it is a way of indirectly capping pay. It would limit the tax deduction for health insurance executives and other highly paid workers at \$500,000. By the way, it would not limit the deduction of pharmaceutical companies or hospital industry executives and so on. But it is another example of what happens when Washington takes over another segment of the economy.

Robert Reich, by the way, who is the former Secretary of Labor under the Clinton administration, wrote an op-ed in the Wall Street Journal in which he pointed out that sometimes these relatively high—and \$500,000 is, to me, a lot of money—but there are people who are paid a lot more than that in these high-paid industries because of what they are able to do for their particular company, and he warns about the effect of legislation such as this that would effectively cap pay of employees.

Here is another thing—the eighth reason—taxing you through your health insurance plan. This is another one of the sneaky ways in which the bill actually gets at you, but they put the tax first on the insurance company. I told you the Congressional Budget Office said the wage earners would actually pay the penalty imposed on businesses. Well, here is an example of where the Baucus bill imposes a 40-percent excise tax on any health insurance

plan that is above \$8,000 for a single person and \$21,000 for family plans. Who ends up paying the increased tax on the insurance company? Of course, you do. They pass it on to you through higher premiums.

According to the nonpartisan Joint Tax Committee, which provided the Finance Committee with a distributional analysis of this provision, the bulk of this \$200 billion tax increase falls on those President Obama promised to protect. Do you remember: "Nobody under \$200,000 is going to pay any new taxes under my bill"? Well, here is what happens in the first year this tax is in place. It raises taxes on 13.8 million tax units; that is, either an individual or a family who files an income tax return; that is, it raises taxes by \$13 billion on 13.8 million tax units. Of those 13.8 million tax units—individual filers or families—only 1.2 million will have incomes above \$200,000. So about 12.6 million of these tax filers who are under \$200,000 in income will pay this tax. Not going to tax anybody under \$200,000? Wrong. This means 91 percent of the affected taxpayers will be hit by the premium increase as a result of this tax.

By the way, the average tax increase for those earning under \$200,000 is \$900. This is every year, by the way. Within 6 years, the number of tax units hit by this tax would nearly triple to almost 40 million individual or family filers, and the tax would collect over \$52 billion in that year.

Here is a ninth reason for opposing the bill: taxing the chronically ill. This is an amendment I offered because this is just wrong. As my colleagues know, under the tax law today, if you are so unfortunate as to be hit by a huge medical bill in any given year, and it exceeds 7.5 percent of your gross adjusted income on your income tax form, then you get to take a deduction for any amount above 7.5 percent of your income. The reason for that is because we don't want anyone in this country to have to suffer unnecessarily or out of proportion simply because of an accident, in effect. This is literally the lightning strikes situation. Most people would not have medical bills exceeding 7.5 percent of their adjusted gross income, but the few who do have been stricken enormously hard. They don't deserve it. In fact, the Internal Revenue Service actually treats this as an involuntary expense.

Under the IRS Code, there are few things that happen to you by pure luck of the draw, as it were. Most of the IRS Code applies to you based on decisions you made: You invested and lost money or you invested and made money and you get taxed on it as a result of the decision you made. You bought a house and you have a mortgage deduction, you know how much that is, you are taxed on a decision you made.

This, you had nothing to do with it; you just got sick. So your expenses are enormous compared to your income.

We have always said in that case: We don't want that to hurt you; we are going to make sure you don't pay more than a certain amount in your taxes. Anything above 7.5 percent you get to deduct.

Under the Baucus bill, that 7.5 percent goes up to 10 percent, so now you are going to have to eat 10 percent of this catastrophic cost before you can even get to the point where you can have a tax deduction. Yet, as I quote the Congressional Research Service, "the deduction can ease the financial burden imposed by costly medical expenses." For the most part, the Federal Tax Code regards these expenses as involuntary expenses that reduce a Federal taxpayer's ability to pay taxes by absorbing a substantial part of income.

The Joint Tax Committee has estimated that increasing the threshold to 10 percent would increase taxes by \$15 billion over 10 years. Who are these unfortunate taxpayers? Are they rich people? No. Twenty-one percent of them who claim this deduction earn under \$40,000, or less than 200 percent of poverty. So almost one-fourth of the people who take advantage of this are literally—they are at 200 percent of poverty. They are making \$40,000 a year. Those are exactly the kinds of people you want to be able to take advantage of a tax provision like this. They get killed when they have an expense that big, and 5.8 million taxpayers or 87 percent who claim this deduction earn under \$100,000, and that is not wealthy by any means. Mom and dad are working. Together they earn, let's say, \$90,000. Well, 87 percent of the people who claim this deduction are in that category. Those are people we should be helping by not having them pay quite as much in taxes, but under the bill we make it harder for them. We raise the threshold from 7.5 to 10 percent.

I wanted to actually reduce it to 5 percent to help people with their health care costs. Isn't the whole point of this bill to reduce people's health care expenditures? Isn't that the whole idea? No. We are not going to reduce them; we are not even going to leave them the same. We are going to raise them.

That brings up the tenth and final reason: taxing middle-class families. Under current law, employees can make tax-free contributions for medically necessary goods and services to pay out-of-pocket expenses. We would assume that to be the case. Although there is no legal limitation, employers generally establish a \$5,000 limit that they provide to their workers.

Senator BAUCUS is proposing to limit the contributions to \$2,500 a year, and the Joint Tax Committee estimates that this limit would raise \$15 billion over 10 years.

Now, why are we doing this? Is it good tax policy? No. We are doing it because we have to raise revenue. You see, the Democrats, who proposed this amendment, said at the very outset:

We are going to make sure it is “revenue neutral.” What does revenue neutral mean? When you are proposing to spend \$800 billion, \$900 billion, \$1 trillion in order to make it revenue neutral, you have to come up with \$800 billion, \$900 billion, or \$1 trillion in new taxes or revenue or savings in order to offset the cost of that. So they have to raise money by a variety of taxes—I have mentioned a couple of them—or by penalties in ways that help them to get to this \$800 million, \$900 million, or \$1 trillion.

Well, here is another one of the taxes. We limit the contribution limit to \$2,500 a year. That way the Federal Government will bring in \$15 billion more in revenue.

Who takes advantage of this? Well, the 35 million people who use these flexible spending accounts spend 43 percent on hospital admissions and physician visits, 26 percent to purchase prescription and over-the-counter drugs to manage chronic diseases, 21 percent for dental, and 10 percent for vision. These are medical expenses that help make people healthier or prevent them from getting sicker. Isn’t that what we want to be promoting, rather than hurting?

Americans with chronic conditions spend nearly \$4,400 a year in out-of-pocket medical expenses for ailments such as diabetes and autism. Why shouldn’t we be helping them by allowing their employers to put money into these flexible spending accounts for them to offset against their medical expenses?

Well, maybe this is just for the rich. No. There again, wrong. The median income for a policyholder utilizing a flexible spending account is \$55,000—hardly the rich. So, once again, we tax middle-class families in order to raise money to pay for the expense of this legislation.

These are just 10 reasons. I could keep going. There are dozens and dozens of reasons to oppose this legislation, but just start with these 10:

No. 1, \$500 billion in Medicare cuts that is going to result in less care for America’s seniors—benefit cuts.

No. 2, rationing of care, both directly and indirectly, through this comparative effectiveness research and through other means that force the physicians, in effect, to provide less care if they want to be paid. More fraud, waste, and abuse. We thought we were going to actually save money from waste, fraud, and abuse. No. We are going to do things such as let people register by telephone when we are not going to be able to verify their eligibility for subsidies under this program.

Rising health insurance premiums: The Congressional Budget Office says the increase in the insurance costs will be passed on to the premium holders, so our insurance premiums go up, not down.

Taxes on employers which, again, according to the people who know best—nonpartisan—reduce employees’ wages.

If you like your current coverage, you would not be able to keep it. That

is a reason to oppose this legislation. If you like your current coverage, you ought to be able to get to keep it.

No. 7, unwarranted government intrusion. I just cited the example of the capping of pay, but there are so many other situations in which this tangled web of government regulations will virtually create government-run health care in this country, with or without a government-run insurance plan or the so-called public option.

No. 8, taxing you through your health insurance program. Here, again, they impose a tax on the insurance company because insurance companies are bad. Well, insurance companies are bad until you want them to pay for your health care. Then they are OK, I guess. In any event, the insurance company has to pass it on to you, so your premiums go up. That is what the experts say will happen.

Taxing the chronically ill: Why should we not allow people to deduct from their income taxes the expenses of these catastrophic events in their life that all of us—none of us want these things to happen to us, and we should at least be able to deduct part of these expenses in our income taxes.

Finally, taxing middle-class families through the inability to take advantage of what their employers would otherwise provide by way of flexible spending accounts so they could actually have money to spend on chronic diseases such as diabetes—just one that I mentioned.

The whole exercise is we are going to make health care costs go down, we are going to reduce premiums, and we are going to recognize that people have too hard a time coping with these issues in today’s society. We only make it worse if we adopt the Baucus bill because it will raise insurance premiums, it will lower wages, it will increase taxes, and it will reduce the care people get. How is that for a deal? Only something offered in Washington, DC, could be that bad a deal.

That is what is coming down the pike. In a couple of weeks, that bill is going to be—actually, it would not even be that bill; it will be a worse bill. I have described what many say is the best it is going to get, the bill that came out of the Finance Committee. It is only going to get worse from here because this bill is going to be combined—not by Republicans but by Democrats—behind closed doors with the bill that came out of the HELP Committee which, if anything could be worse, is. So somewhere in between this bill and that bill, that is what we are going to have on the Senate floor. It is a bad deal for the American people.

One final point. I see my friend, the Senator from Tennessee, Mr. ALEXANDER, coming to the floor. He has been saying something over and over and over again that bears repeating. I will tell Senator ALEXANDER, I was in church yesterday, and I don’t know how many people told me exactly this:

Read the bill and find out how much it costs. If we do that, and if we tell our constituents how much it costs and what is in the bill, I predict a lot of my colleagues are going to say: Thanks but no thanks; my constituents really don’t want this bill.

So in addition to all of the other things I have said, maybe I should have started with the proposition: Read the bill and find out how much it costs. I suspect my friend from Tennessee might just mention that.

Thank you, Mr. President.

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

Mr. ALEXANDER. Mr. President, I wish to thank the Senator from Arizona for his thoughtful comments and for his late nights on the Finance Committee on the health care bill. He is exactly correct. I don’t know where in the United States you could go and somebody wouldn’t say: You should read the bill, No. 1; and you should know what it costs, No. 2, before you start voting on it. That is one of the handful of things in American life I don’t think requires any explanation. But if it requires any, the people in Arizona are going to be asking Senator KYL, just as they do me in Tennessee: What is this shifting of Medicaid costs to the States, and how much is it going to cost us? Our Governor in Tennessee says it will put the State budget in the tank and damage our colleges and universities. We ought to read the bill and know what it costs.

What about these Medicare cuts? We will wait to read the bill and see how much they are, but what we hear is they are a half trillion dollars, and not just in cuts on Medicare, but it is cutting Medicare for seniors and spending it on a new program. As the Senator from Kansas said the other day, it is like writing a check on an overdrawn bank account and buying a big new car with it, and then new taxes.

So I remember when in the HELP Committee we all were working on a bill, and it went right through with the Democratic majority, but when the American people began to read it, there began to be some problems. So I am very hopeful that we will do in the Senate as 99.8 percent of the American people expect us to do: Read the bill; know what it costs. When we see the Medicaid mandates that require new State taxes and the Medicare cuts for seniors that will be spent on other programs and new taxes, then that might change the picture.

Mr. President how much time do we have left on our side?

The ACTING PRESIDENT pro tempore. The time is not equally divided. Senators are permitted to speak for up to 10 minutes. The time is not equally divided, so we are just in a period of morning business until 4 o’clock.

Mr. ALEXANDER. Thank you very much.

## ENERGY REFORM

Mr. ALEXANDER. Mr. President, I would like to change the subject. I wish to talk a little bit on the perils of energy sprawl. Right behind the health bill may come an energy or climate change bill. There has been a lot of discussion about that. I would like to talk about it in a new and different way.

I just went over to an organization called Resources for the Future that is run by former Congressman Phil Sharp, a group that has done a lot of good work in the conservation area, most recently in coordinating the Outdoors Resource Review Group's recommendations that included permanent funding for the Land and Water Conservation Fund.

There were about 200 conservationists there. I wish to talk to my colleagues a little bit about the message I shared with them. I began with them in this way: As many Americans did last week, I spent a number of hours watching Ken Burns' film on our national parks. I am also reading Douglas Brinkley's book about Theodore Roosevelt, called "The Wilderness Warrior: Theodore Roosevelt and the Crusade for America." I had a few minutes to visit Douglas Brinkley, who was in Washington, DC. Doing this reminded me that the men and women we honor most in the conservation movement, and who founded many of our most important organizations, were not always so honored when they spoke up. Many who spent the last century protecting our landscapes, our air and our water and our habitats were regarded as trivial, eccentric or even went unnoticed.

John Muir, founder of the Sierra Club, was an obscure hermit when he began to preach nature like an apostle. To some, President Teddy Roosevelt must have seemed a little daffy when he declared he would protect pelicans and warned a country, enamored with Manifest Destiny, that we should keep nature unmarred. President Lyndon Johnson used to make jokes about Lady Bird Johnson running around the White House with Laurance Rockefeller protecting flowers, as he would say. Today, we honor those men and women for having had the wisdom and courage to recognize that preserving our natural heritage is essential to the American character. Italy may have its art, India may have its Taj Mahal, but we have the Great American Outdoors.

That is why a recent paper by the Nature Conservancy, a scientific paper, titled "Energy Sprawl or Energy Efficiency: Climate Policy Impacts on Natural Habitat for the United States of America," will one day, I believe, occupy a place among the pioneering actions we honor in the conservation movement. The paper warns, in the next 20 years, new energy production, especially biofuels and wind power, will consume a landmass larger than the State of Nebraska. This so-called "energy sprawl," as the authors termed it, will be the result of government cap and trade and renewable mandate pro-

posals designed to deal with climate change. The paper should serve as a "Paul Revere ride" for the coming renewable energy sprawl. There are negative consequences from producing energy from the Sun, the wind, and the Earth, just as there are positive effects. Unless we are as wise in our response to this as the authors were in their analysis, our Nation runs the risk of damaging the environment in the name of saving the environment.

The first insight of the Nature Conservancy paper is in describing the sheer size of the sprawl. The second insight is in carefully estimating the widely varying amounts of land consumed by different kinds of energy production. Finally, the paper suggests four ways to reduce carbon emissions, while minimizing the side effects of energy sprawl on the landscape and wildlife habitat. The first recommendation is energy conservation. Second is generating electricity on already-developed sites, such as when solar panels are put on rooftops or when a chemical company uses byproducts from its production processes to make heat and power. The third recommendation is to make carbon regulation flexible enough to allow for coal plants that recapture carbon or nuclear power plants that produce no carbon or for international offsets. Fourth, the paper suggests careful site selection.

This makes me think of my own experience as Governor of Tennessee 25 years ago. The Presiding Officer was a very successful Governor of our neighboring Commonwealth of Virginia. Twenty-five years ago, our State banned new billboards and junkyards on a highway over which 2 million visitors travel each year to the Great Smoky Mountain National Park. Then, that decision attracted very little attention. Today, that decision helps to preserve one of the most attractive gateways to any national park. It is hard to imagine what that road would be like today if we hadn't made that decision 25 years ago. We know that if the billboards had gone up then, they would be impossible to take down today. It would be the same with wind turbines in the foothills of the Smokies or along the Blue Ridge Parkway, with wind turbines, solar thermal plants, and other new forms of energy production—once they go up, it would be hard to take them down.

My purpose today, with Resources for the Future and with the conservation groups, was to challenge those organizations who have traditionally protected our landscapes, air and water and wildlife habitat to do the same for the threat of energy sprawl. I asked for them to suggest to us in the Senate, Members of the House, and others in government what are the most appropriate sites for low-carbon or carbon-free energy production. Second, I asked the conservationists to do something that gives many of them a stomach-ache whenever it is mentioned—to rethink nuclear power. Because, as the

Nature Conservancy's paper details—while not endorsing nuclear—in several ways nuclear power produces the largest amounts of carbon-free electricity with the least impact.

I learned a long time ago it helps an audience to know where its speaker is coming from so I reminded them that I grew up hiking and camping in the great Smoky Mountains National Park, and I still live 2 miles from the park boundary today. I reminded them that, as a Senator, I have fought and still fight for strict emission standards for sulfur, nitrogen, and mercury, because too many of us still breathe polluted air. I have introduced legislation to cap carbon from coal plants because I believe human production of carbon contributes to global warming. I have helped to create 10,000 acres of conservation easements adjacent to the Smokies because it preserves the views and the wildlife needs the space. I drive one of the first hybrid plug-in electric cars because I believe electrifying our cars and trucks is the quickest way to clean the air, keep fuel prices down, reduce foreign oil use, and help deal with climate change. I object to 50-story wind turbines along the Appalachian Trail for the same reason I am the co-sponsor of legislation to end the coal mining practice called mountaintop removal, not because I am opposed to coal plants or wind power in appropriate places but because I want to save our mountaintops.

Let me offer a few examples to give a clearer picture of what this coming energy sprawl may look like. As the Nature Conservancy paper notes, most new renewable electricity production will come from wind power, which provides about 1.5 percent of our country's electricity today. Hydroelectric dams produce about 7 percent, and some of them are being dismantled. Solar and all other forms of renewable electricity produce about another 1 percent. President Bush first suggested that wind power could grow from 1.5 percent today to 20 percent by 2030, and President Obama has set out enthusiastically to get this done. In fact, the combination of Presidential rhetoric, taxpayer subsidies and mandates have very nearly turned our national electricity policy into a national windmill policy.

To produce 20 percent of America's electricity from wind turbines would require erecting 186,000 1.5 megawatt wind turbines, covering an area the size of West Virginia. According to the American Wind Energy Association, 1 megawatt of wind requires 60 acres of land; in other words, that is a 1.5-megawatt wind turbine every 90 acres. These are not your grandmother's windmills. They are 50 stories high. If you are a sports fan, they are three times as tall as the skyboxes at the University of Tennessee football stadium. The turbines themselves are the length of a football field. They are noisy, and you can see their flashing lights for up to 20 miles. In the Eastern United States,