

Here is the breakdown. Premiums for young people could go up nearly 70 percent, and even more than that in places such as Kentucky. And millions of Americans who have chosen a plan that fits their needs and their budgets will be forced to buy more insurance, at a significant cost. Like most of my colleagues, I am particularly concerned about what these plans will mean for the families I represent. And what I have seen so far from these reports is disturbing.

As a result of all the various new rules, regulations, and tax increases that would come about as a result of the Democrat health care plan, a family of four in Kentucky that earns \$66,000 a year is estimated to see their insurance premium double—from \$355 to \$787 a month.

The other side will say that they intend to provide subsidies for families like these, and they do. But those subsidies would only cover about half the increase. So even after these subsidies are applied, this family ends up paying an extra \$180 a month. As any family will tell you, that's \$180 that will not go to the college fund, to the retirement account, or toward a family vacation.

New taxes on medical devices would also contribute to higher premiums.

Same goes for new taxes on life-saving prescription drugs and new taxes on insurance providers. One independent study shows that the new taxes and fees would add nearly \$500 a year to the cost of insurance for American families.

The Congressional Budget Office also predicts that a new charge to participate in so-called exchanges would lead private health plans to increase their premiums by about three percent. That is on top of all the other forces in this bill that work to drive up Americans' health insurance premiums.

The testimony of these groups is clear: the Democrat plan would not only raise taxes and slash Medicare, it would also raise health insurance premiums. This is not reform, and it's certainly not what the American people were told they could expect.

Republicans have proposed a different approach, one that responds to today's needs and one that respects the challenging economic environment we're in.

We are for helping small businesses find affordable health insurance options for their employees. We are for providing individuals the same tax benefits for purchasing insurance that businesses get.

We are for protecting doctors from frivolous lawsuits, so they can focus on treating patients—and lower their costs. We are for cracking down on the rampant waste and fraud that drive up the cost of care. And we are for the kind of wellness and prevention programs that have worked at places like the Safeway grocery chain.

Contrast that with the other side's plan. A reform that was meant to cut

costs has been shown to increase them. As I said, that is not reform. But it is also not too late. It is not too late for the parties to get together and deliver the reforms Americans really want.

I yield the floor.

RECOGNITION OF THE MAJORITY LEADER

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

HEALTH CARE REFORM

Mr. REID. Mr. President, we have had, during the last 6 months, extended hearings on the need for health care reform. Every Member in the Democratic caucus believes the present system of delivering health care in America is in trouble. It is not fair to patients or to physicians. Certain classes of people are being damaged. Medicare recipients are hammered every day.

What we are doing is presenting to the American people alternatives to the insurance industry running the world of health care. We cannot continue the way we have been going. That is what the Republican plan is—to continue more of the same, with the health insurance industry controlling everything, not professionals.

We are going to continue working on this with the CBO, which now has the plan we have sent to them with different alternatives, and they will report back as to the numbers on that. We will have in the near future a program that will be open to the American people that will show that is what we are doing. We are returning the health care to the people who can do the best job in health care. Rather than the doctor having to go through some bureaucrat working for an insurance company, he or she can make a decision on their own. This is what the nurses want, this is what the physicians want, this is what the patients want, this is what the hospital administrators want, and this is what the teaching hospitals want.

Health care in America is not in good shape. All you need to do is read any fair discussion of the health care system, recognizing now that one-sixth of every dollar is spent on health care in America today. If we don't bend that curve, it will be up to 35 cents of every dollar. America cannot continue this. We are lagging behind the rest of the world, and that needs to change.

SCHEDULE

Mr. REID. Mr. President, at 10:30 a.m., Chancellor Angela Merkel will address a joint meeting of Congress. Senators are encouraged to come to the floor now so that we may proceed as a body to the Hall of the House of Representatives.

The Senate will recess from 10:15 a.m. until 11:30 a.m. for that joint meeting.

At 11:30 a.m. the Senate will resume consideration of H.R. 3548, the Unemployment Benefits Extension Act of 2009, postclosure. I hope after the vote yesterday, we will not be required to use the 30 hours. It will run out sometime before midnight tonight. We should move on. We have other things to do. I have spoken to my counterpart, the Republican leader. We have a number of things we need to do before we leave here next Tuesday for the Veterans Day holiday. We can finish that now. Each thing we need to do can be done very quickly. If not, we will have to work through the weekend. I hope that is not necessary.

Again, at 11:30 a.m., the Senate will resume consideration of H.R. 3548, the Unemployment Benefits Extension Act. It is my hope that we will be able to yield back some of that postclosure debate time and proceed to the bill this afternoon.

The Senate will recess from 12:30 to 2:15 to allow for the weekly caucus luncheons.

Mr. President, there is something wrong with the system, so the bells and lights and whistles we normally hear around here won't be heard. We are going to have to go the old-fashioned way of looking at the clock.

I ask the Chair to recess 3 minutes early.

RESERVATION OF LEADER TIME

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

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY CHAN CELLOR ANGELA MERKEL OF THE FEDERAL REPUBLIC OF GERMANY

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate stands in recess until 11:30 a.m., following the remarks of the Chancellor of the Federal Republic of Germany.

Thereupon, the Senate, at 10:13 a.m., recessed until 11:30 a.m., and the Senate, preceded by the Vice-President, JOSEPH R. BIDEN, Jr., the Secretary of the Senate, Nancy Erickson, and the Deputy Sergeant at Arms, Drew Willison, proceeded to the Hall of the House of Representatives to hear an address to be delivered by Chancellor Angela Merkel of the Federal Republic of Germany.

(For the address delivered by the Chancellor of the Federal Republic of Germany, see today's proceedings of the House of Representatives.)

Whereupon at 11:30 a.m., the Senate, having returned to its Chamber, reassembled and was called to order by the Presiding Officer (Mrs. GILLIBRAND).

UNEMPLOYMENT COMPENSATION
EXTENSION ACT OF 2009

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 3548, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3548) to amend the Supplemental Appropriations Act, 2008, to provide for the temporary availability of certain additional emergency unemployment compensation, and for other purposes.

Pending:

Reid (for Baucus-Reid) amendment No. 2712, in the nature of a substitute.

Reid amendment No. 2713 (to amendment No. 2712), to change the enactment date.

Reid amendment No. 2714 (to amendment No. 2713), of a perfecting nature.

Reid amendment No. 2715 (to the language proposed to be stricken by amendment No. 2712), to change the enactment date.

Reid amendment No. 2716 (to amendment No. 2715), of a perfecting nature.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CARDIN. 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. CARDIN. Madam President, shortly, we are going to be voting on the unemployment compensation bill. I have already taken to the floor to urge my colleagues to pass the underlying bill, which provides 14 weeks of additional benefits to those who will exhaust their unemployment compensation. This is an insurance program. The funds are there, assessed through the compensation system of our country in order that we have money available for those who have lost their jobs during a recession, and that is exactly what has happened.

These are extraordinary times. I know the Presiding Officer will agree with me that we have been to our States, and we know there are people who are unable to find jobs. This past week, I was at the employment office in Baltimore and saw people coming into that office in large numbers and asking for jobs. I talked to individuals, saw the faces of people who want to work but who can't find jobs. So it is critically important for the system to work, and that means we need to provide the safety net of unemployment compensation during these times, and we need to extend it to all States.

The bill before us will provide those additional 14 weeks in every State. In my own State of Maryland, we have many counties that have unemployment rates far in excess of the 8½ percent, which was the trigger number used in the House bill. So it is appropriate we pass this bill for the people who will benefit by it, and it is also appropriate we pass it to help our economy. We know the dollars that are provided through unemployment com-

pensation work their way back into our economy, very quickly helping our economy.

I wish to talk also about the leader's amendment that will extend to first-time home buyers a tax credit that would expire at the end of this month. I had introduced legislation, along with Senator ISAKSON, to extend the credit for an additional 6 months, and I am pleased that provision is included in the leader's amendment that also expands the credit for an additional 6 months.

According to the IRS, 1.4 million people used the credit as of September 2009. As many as 40 percent of all home buyers this year will qualify for the credit. It has clearly worked according to its intended purpose; that is, to get potential home buyers off the sidelines and into the market and buying a home. It is estimated that the credit is directly responsible for 200,000 to 400,000 purchases this year. According to the National Association of Realtors, those additional sales have pumped approximately \$22 billion into the economy. It is getting our economy back on line.

The credit has succeeded in reducing the glut of homes for sale, but it needs to be extended. We still have too much inventory that is out there, and it is affecting new home starts, which are critically important for our economy. We know the real estate market was the spark that put us into this recession. We know that. We know what happened to home values. We know what happened to people who were unable to sell their homes. We know what happened with foreclosures. We know we need a healthy real estate market to get us out of this recession.

We have seen some signs of improvement and stabilization in the market, but we are certainly not out of the woods yet. Inventories are still way too high. Dean Baker, codirector for the Center for Economic and Policy Research, notes that price declines could resume later this fall.

Quoting Mr. Baker:

The uptick in sales driven by the credit has led to a substantial increase in the number of homes offered for sale at just the time that the boost from the credit is dwindling. The inventory will also be a much larger drag in the slow-selling winter months.

We know winter is notoriously a slow season, but we have too much inventory that is out there. This would be the wrong time for Congress to allow this credit to expire.

Other economists, such as Mark Zandi of Moody's, and James Glassman of JPMorgan Chase, support extending the credit.

The substitute amendment, which I have cosponsored and which is similar to the bill I introduced—S. 1678—extends and expands the credit to April 30, 2010, for binding contracts and then allows 60 more days to close. I think that makes sense. The closing period sometimes hampers the use of the credit. For example, if someone was to

enter into a contract today, even though the credit is there, it is highly unlikely they could settle by the end of the month, taking advantage of the \$8,000 credit. It makes sense to say that as long as you have a binding contract by April, you have 2 months later to close in order to get the credit.

The amendment keeps the \$8,000 credit for the first-time home buyer and then provides a \$6,500 credit available to other home buyers who have lived in their current homes for at least 5 years. These are the step-up sales. These are people who currently own homes, who have lived in their home for 5 years, and are now trying to buy another home. You can't buy a house and try to flip it to take advantage of the \$6,500 credit. It is a smaller credit than the first-time home buyers', but it is still a significant credit and it is available for homes costing up to \$800,000.

I don't think there are many homes in the area that will qualify under the income limits, but it does allow those to qualify. The income limits have been lifted slightly from \$75,000 to \$125,000 for an individual and from \$150,000 to \$225,000 for joint filers.

So it takes care of where the market needs help, where there is too much inventory, and will allow the credit to, again, tell people: Look, the economy needs your help. This is a good time to buy. The government is going to be your partner with this \$8,000 credit for the first-time home buyer and a \$6,500 credit for the person who has lived in their house for 5 years.

There are a couple more points that I think need to be underscored. The credit is fully paid for. It will not add to the deficit. That is an important point, but I would also point out that this credit will help stimulate our economy, which will generate economic activity, which will help us on our budget deficit. It really does help our economy, and it is fully paid for, so it doesn't add to the deficit, and that is one of the points I mentioned when I first introduced this bill with Senator ISAKSON—we were going to look for a way to make sure it is paid for.

I thank the chairman of the Finance Committee, Senator BAUCUS, for coming forward with an amendment that is fully paid for, that is offset. I believe that is the way it should be.

The second point I want to bring up is it includes tough antifraud language and "math error" authority for the IRS to ensure that only those individuals and families who qualify for the credit take advantage of it. I know we are all concerned about reports we read in the paper about potential fraud on this credit. Any fraud is wrong, but we know if we set up a new credit there are those who will press the point more than they should. We have to make sure the antifraud provisions are in this bill so those entitled to this credit are those who take advantage of it and it is not used inappropriately. Language is included in this amendment to