

Whereas the University of Iowa men's wrestling team was ranked number 1 in the Nation upon entering the tournament;

Whereas the Hawkeyes are back-to-back champions and have won 22 national wrestling titles in the program's history;

Whereas on March 9, 2009, the Hawkeyes won their second straight Big Ten Championship;

Whereas University of Iowa wrestling head coach Tom Brands has led the team to 2 straight victories in only 3 years as head coach;

Whereas the Hawkeyes finished the regular season undefeated for the 12th time in as many years; and

Whereas University of Iowa students, alumni, faculty, and fans are committed to keeping alive the tradition of wrestling in Iowa and bringing pride to the State of Iowa as well as the University of Iowa: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates the University of Iowa Hawkeyes for winning the 2009 NCAA Division I Wrestling Championship; and

(2) recognizes the achievements and efforts of the wrestlers, coaches, fans, and staff that helped the team to achieve this significant victory.

CONGRATULATING MORNINGSIDE COLLEGE WOMEN'S BASKETBALL TEAM

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 96, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The bill clerk read the resolution as follows:

A resolution (S. Res. 96) congratulating the Morningside College women's basketball team for winning the 2009 National Association of Intercollegiate Athletics (NAIA) Division II championship.

There being no objection, the Senate proceeded to consider the resolution.

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the resolution be printed in the RECORD.

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

The resolution (S. Res. 96) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 96

Whereas on March 17, 2009, at the Tyson Event Center in Sioux City, Iowa, the Morningside College Mustangs won the national title game for the NAIA Division II women's basketball with a 68-63 win over the Hastings College Broncos;

Whereas Morningside College Mustangs captured the Great Plains Athletic Conference (GPAC) championship title with an 18-0 record;

Whereas Morningside College women's basketball Head Coach Jamie Sale was named NAIA Division II Coach of the Year;

Whereas 7 members of the Morningside College women's basketball team were

named 2009 Daktronics-NAIA Scholar-Athletes for maintaining a minimum GPA of 3.50 and having at least a junior academic status: Cara Anderson, Autumn Bartel, Emily Christen, Sarah Culp, Mackenzi Mendlik, Roni Miller, and Brittany Williamson;

Whereas Autumn Bartel, a senior guard for Morningside College, was named Most Valuable Player of the NAIA Division II tournament;

Whereas Dani Gass, a senior guard for Morningside College, was named NAIA Division II Player of the Year;

Whereas the Morningside College women's basketball team was the unanimous number 1 vote in the final NAIA Division II Women's Basketball Coaches' Top 25 Poll, receiving 312 points and all 12 first place votes; and

Whereas the Mustangs finished the 2009 season with an undefeated record of 38-0, and was only the second team in NAIA Division II history to do so: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates the Morningside College Mustangs for winning the NAIA Division II national championship; and

(2) recognizes the achievements of the players, coaches, and staff whose hard work and dedication helped the Morningside College Mustangs win the championship.

ORDERS FOR WEDNESDAY, APRIL 1, 2009

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. tomorrow, Wednesday, April 1; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of S. Con. Res. 13, the concurrent resolution on the budget.

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

PROGRAM

Mrs. SHAHEEN. Mr. President, under an agreement reached earlier today, when the Senate resumes consideration of the budget resolution tomorrow, 20 hours of the statutory time remains, with each side controlling 10 hours.

ORDER FOR ADJOURNMENT

Mrs. SHAHEEN. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent it adjourn under the previous order, following the remarks of Senator CARPER.

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

Mrs. SHAHEEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

THE BUDGET

Mr. CARPER. Mr. President, I rise this evening to address, as others have today, the fiscal year 2010 budget resolution that is currently being considered by this body. We take up this budget under the specter of—some would say gloomy, some would say perilous—economic conditions amidst a credit crisis that threatens long-term damage to our economy—not just to the economy in our country but to economies all over the world. As a result, this budget is very likely probably not the most important vote we cast in the time we serve here but certainly one of the most important we will vote on this year, and maybe in this Congress.

I wish to begin this evening by reminding my colleagues—I know we have been reminded already today and we will be reminded tomorrow—that our friend, former colleague, Barack Obama, took office just 70 days or so ago. Not since the inauguration of Franklin Delano Roosevelt has an American President inherited such far-reaching economic turmoil and been asked to do so much in such a short period of time.

Over these last 10 weeks, President Obama has become very well acquainted with the economic mess he inherited from the previous administration. On the day his predecessor took office—this was about 8 years ago—our Federal Government enjoyed multibillion-dollar surpluses as far as the eye could see. We were on track, believe it or not, if you recall, on track to actually pay down our national debt, which at the time was a little under \$6 trillion. Since then, sadly, we have seen those surpluses disappear, and they have been replaced instead by the largest budget deficits I think we have witnessed in our country's history. In fact, we ran up as much new debt in the last 28 years as I think we did in the first 220 years of our Nation's history.

When President Bush left office earlier this year, our Nation and the new President were left—and us, here in the Senate and the House—to bear the cost of two wars, tax cuts that tend to favor the wealthiest among us, an increase of more than 50 percent in Government spending, and \$10.6 trillion in debt. Again, that is roughly twice what former President Bush inherited on his first day on the job.

The fact is that our badly damaged credit system, our banking system, along with rising unemployment numbers and a contracting economy, have threatened to reduce future revenues to the point where the burgeoning budget deficits of the last 8 years could become a permanent fixture if we are not careful.

The damage of these potential deficits cannot be overlooked. I believe the deficits matter. I think our Presiding Officer knows the deficit matters—it matters for all of us.

Last year, American taxpayers paid some quarter of a trillion dollars, \$250

billion, in interest payments—not principal, just interest payments—to creditors at home and around the world. I am told each citizen's share of today's debt amounts to more than \$36,000 per person. Beyond our own borders, we now owe some \$740 billion to China. That is almost three-quarters of a trillion dollars. We owe about \$635 billion to Japan. We owe \$133 billion to Brazil. The list goes on and on.

In all likelihood, the large deficits will eventually drive up interest rates for consumers. They will raise prices for goods and services, and they will combine to weaken America's financial competitiveness.

The bigger our deficits become, the fewer resources we have for investments in energy, education and health care, and we will have fewer resources to help provide tax relief for the middle class and for small businesses that need it the most.

Thankfully, both this President's budget and the Senate Budget Committee's proposed budget for fiscal year 2010, the year that begins this October 1, seek to reverse the trend set in motion by the previous administration. Under both plans, annual deficits will be cut in half over the next 4 years, by 2012.

During his Fiscal Responsibility Summit, which I was fortunate to be able to attend along with Democratic and Republican colleagues, the President said these words:

This will not be easy. It will require us to make difficult decisions.

There is an understatement.

He went on to say we will:

... face challenges we have long neglected.

He went on to add:

But I refuse to leave our children with a debt they cannot repay—and that means taking responsibility right now, in this administration—

And, I might add, in this Congress—for getting our spending under control.

The President is right. Meeting this budget goal will not be easy and will require tough choices and discipline by all of us. Some of these tough choices will come from the spending side, and in a difficult economic times, we have to make sure every dollar we collect from the taxpayers is spent wisely and effectively.

As chairman of the Federal Financial Management Subcommittee of the Homeland Security and Governmental Affairs Committee, I have worked with Senate and House colleagues, including the Presiding Officer, to identify areas of Government spending that are wasteful and in many cases inefficient. One of these areas involves something called improper payments.

According to data reported to the Office of Management and Budget by Federal agencies in their most recent financial statements, the Federal Government made something like \$72 billion last fiscal year in overpayments—actually, improper payments, mostly

overpayments. During a series of hearings held by my subcommittee, my colleagues and I learned from GAO that some agencies are not taking seriously their responsibility to properly account for Federal dollars they spend. We also learned that others may not have the resources they need to address their improper payments problem.

Just think about this. This is a big budget. This is a budget that is hundreds of billions of dollars. But \$72 billion was improperly paid, mostly overpayments.

I plan to introduce legislation in the near future that will direct agencies to focus more of their time and more of their resources on eliminating improper payments—and not just that, but to develop better improper payments remediation plans so they don't continue to make the same mistakes—and finally becoming more aggressive in the use of recovery auditing.

I say to my sons, who are now 19 and 20, there is nothing wrong with making mistakes. We all make mistakes. The only people who don't make mistakes are the people who don't do anything. And if we are doing anything important, a lot of times we make mistakes. But the key here, on improper payments, is to figure out why we are making these mistakes on the improper payments and figure out how not to continue to make the same mistakes and, third, if we made overpayments, to figure out how to go out and recover taxpayers' moneys that have been overpaid.

The proposal we will be introducing with bipartisan support will increase the use of recovery auditing, and the positive impact that recovery auditing will have on Government spending will be measured in billions of dollars.

Even in a day and age where we are looking at a trillion-dollar-plus deficit, billions of dollars still count. A recent test of recovery auditing in just three States' Medicare Programs led to the recovery of \$1 billion.

The Presiding Officer heard me talk about this a time or two, along with the President, when he came to our luncheon last Wednesday here in the Capitol. Three years ago, we started doing I call postaudit recoveries in Medicare to try to identify moneys overpaid in Medicare. We went to three States—California, Texas, Florida—and began to try to recover moneys that were overpaid. The first year, we didn't get much of anything. The second year, we captured a little bit of money. Last year, it was close to \$1 billion in just three States. What I suggested to the President and my colleagues: We should not just be doing this in three States; we should do it in all 50 States and recover real money. The other thing we ought to do is consider the Medicaid Program and see whether there is some way we can do with Medicaid, in terms of recovering misspent moneys, overpayments—we do that, take the same lessons from Medicare and apply them to Medicaid.

I am pleased to see that the Senate budget makes a number of tough choices when it comes to Federal spending. Senator CONRAD has shown great leadership and fiscal discipline in his drafting of this Senate resolution, and his counterpart over in the House, our old friend Congressman JOHN SPRATT from South Carolina, has managed to do the same in the House. The Senate Budget Committee has sent us a lean budget this year, relatively speaking, that increases discretionary spending, I am told, by about 5 percent over the fiscal 2009 level, despite calls to do much more. Frankly, that is a bit less than was asked for by our President.

While making sure the taxpayer funds are spent wisely is crucial, I would just add that I, for one, reject the philosophy held by some that discretionary spending is the culprit—maybe the major or even the only culprit for our fiscal mess.

Balanced budgets will not come just from reductions in discretionary spending. Fundamental reform of our major entitlement programs, coupled with some changes in our tax codes, must occur if we are to restore fiscal sanity to our Federal budget.

On the entitlement side, the Presiding Officer, among a number of centrist Democrats, met today with our budget director OMB Director Peter Orszag. Among the things we talked about were entitlement programs and entitlement spending.

The entitlement spending on health care consumes an ever-increasing percentage of our GDP, with the U.S. currently spending over \$2 trillion a year on health care. That is about 17 percent of GDP, and we are on a track to get up to about 20 percent in the next several years—20 percent of GDP just for health care.

I am told that if you look at three programs now, three entitlement programs, Social Security, Medicare and Medicaid, if you gather the amounts, they are about 10 percent of our GDP. And we are on a track that in about 25 years, those three programs alone will amount to 25 percent of GDP, and 20 percent of GDP is historically our whole budget—in just three programs. That is obviously not sustainable.

And while we spend a whole ton of money, \$2 trillion a year on health care, a number of folks suggest that about \$700 billion, \$700 billion of that money, that is about 35 percent of it, does not really improve our health outcomes.

We spend more money than any other developed nation for health care and we certainly do not get better results. This cost growth raises the pricetag associated, as I said, with entitlement programs such as Medicaid as well.

And I repeat myself that the current path we are on is clearly not sustainable, both for our fiscal health and for our medical health, and it is not sustainable as far as our being competitive with the rest of the world and our

businesses trying to compete, whether building cars or windmills or building electronic equipment. It makes us uncompetitive around the world.

America must reform its health care system. We have responsibility to help do that so we can reverse the rise in health care costs, while we improve the quality of care. We simply cannot afford to continue on this trajectory. As I have said, and I am sure my colleague presiding has, doing nothing is not an option.

I wanted to commend tonight not only Senator CONRAD, but I wanted to commend the Senate Budget Committee for including a deficit-neutral reserve fund in the Senate budget that will enable us to advance a health care reform bill and reduce Medicare and Medicaid's contribution to our budget deficit.

Now, on the tax side, I am pleased the Senate budget provides middle-class taxpayers with a measure of tax relief. They still have to pay taxes, but in this budget package and this spending plan they receive a measure of tax relief, something of which this President is a champion.

Taxpayers need certainty, though, when it comes to making middle-class tax provisions permanent. Taxpayers need certainty when it comes to the alternative minimum tax. And taxpayers certainly need certainty when it comes to the estate tax.

The idea that we are going to have an estate tax this year, we are not going to have one next year, and then a year later after that we are going to go back to the same estate tax we had in 2001 does not make a whole lot of sense to us and to our constituents. But this budget begins the process of addressing those issues, and I look forward to working with my colleagues, both in the Finance Committee and on the Senate floor, in addressing them.

On the estate tax, this budget includes a proposal that looks a lot like one I introduced a year or two ago. And it would permanently extend the 2009 rate of 45 percent, and an exemption of \$7 million per couple. It would index that amount, that is exempted from taxes by the rate of inflation each year. So it is not going to be \$7 million that is the exempt number forever; it will go up each year by the rate of inflation. And that which is not covered within that exemption is taxed at the rate of 45 percent, which is really right about where we are this year. I think this proposal represents a sensible way to balance our two critical goals, and seems fair and reasonable, is what Fox says.

It helps us to avoid hitting middle-class taxpayers and small businesses. It helps us to avoid the problems we have had with the alternative minimum tax, where we have not indexed it in over 30 years.

Finally middle-class families are finding out they are subject to the alternative minimum tax. And someday the same thing will happen to the estate tax if we do not index it.

In addition to the estate tax provision, this budget extends the previous

administration's 2001 and 2003 tax cuts for the middle class. We are not throwing out everything we have done in 2001 and 2003 in the Bush administration if it is meritorious. And that is an example—those are examples of things we want to preserve. We think that preserving tax relief for the middle class is a high-yield, low-risk investment. It will be the middle class, we think, who lifts the economy out of the recession and ushers us through the decade of innovation and hopefully to prosperity. I believe this extension of these tax cuts will go a long way toward bolstering a resurgence.

While many of these provisions seek to help stimulate growth through revenue modifications, we also need to make some other changes to our current tax policy in order to help increase revenues that will pay down our budget deficit. One way to do this is to close something we call the tax gap, which I am pleased to say is a high priority of this budget resolution. Most Americans, if they knew that something like \$400 billion of taxes that are owed to the Federal Government are not being collected—and most people in this country pay their fair share of taxes—the idea that, gosh, almost a half a trillion is not being collected on an annual basis makes my blood boil, and I suspect makes it boil for a lot of other people.

As it turns out, there are a number of things that we can do to address the tax gap. I am delighted in the budget document that we are seeing, it reflects a whole lot of steps we can take. Through my subcommittee that I chair on the Homeland Security and Governmental Affairs and through my work on the Finance Committee, I have been helped by a bunch of people to enable us to craft legislation—I will be introducing it soon—that helps close the tax gap, and we do it by focusing on improving compliance.

I would say this. You and I, most people, if taxes are withheld from our income, we comply. We have a compliance rate of about 99 percent of paying our fair share of taxes. When our income is reported to the IRS on, say, a 1099, there is about a 90-percent, maybe 95 percent, compliance with paying our fair share of taxes.

When there is not withholding of taxes, where there is not reporting of income, the rate of compliance drops way down—as low as 50 percent, even lower than that.

I am looking forward to working with our new President and my colleagues, Democrats and Republicans, in a nonpartisan way, of putting together a package of proposals to meet the goals that are laid out in this budget, particularly with respect to making sure people pay their fair share of taxes.

While the Senate budget does extend the Bush tax cuts for the middle class beyond fiscal year 2010, it does not do the same for some of our most affluent Americans. During the previous administration, some of the wealthiest Americans shouldered disproportionately

less tax burden than do many members of the middle class.

The budget before us seeks to restore a fairer balance while also providing the revenue needed to close our budget deficits over the next several fiscal years.

Finally, I commend Senator CONRAD and the President for acknowledging that we have to do more to address climate change in this budget—something with which I know our Presiding Officer agrees—keeping open all of our options, including a cap-and-trade system which I have worked on for a number of years for reducing greenhouse gas emissions.

Unfortunately, some of my colleagues have likened a climate cap-and-trade program to a carbon tax. I always find it interesting that people around here seem to embrace the idea or propose the idea of a carbon tax instead of a cap-and-trade approach on climate change. Most of the people that seem to propose and embrace a carbon tax would not vote for one if they had the chance to, which is kind of ironic.

Let me be clear. On a cap-and-trade system—and where we basically say for carbon dioxide emissions, we are going to put a cap on how much can be emitted—over time we are going to bring that cap down, and we are going to give folks, the emitters, the chance to trade as they reduce their emissions, to have an opportunity to trade with other emitters, and find ways to harness economic forces to reduce, in an effective way, an efficient way, our emissions of CO₂.

But among the advantages of a cap-and-trade system, it is flexible within our economy. It interacts with folks like in Europe who have been doing this cap-and-trade stuff for a while. It ensures that we get the needed pollution reductions.

A great example of a cap-and-trade program is the Acid Rain Program. It was not set up by a Democrat. It was not set up by Bill Clinton. It was set up by former President Bush. George Herbert Walker Bush set it up in 1990.

That cap-and-trade program, the Acid Rain Program, has reduced sulfur dioxide emissions at half the estimated cost and quicker than expected, making it one of the most successful environmental programs in our Nation's history.

I hope my friends here will not forget that cap and trade is a valuable market tool that has been proven to secure air quality improvements at half the cost. It is not a tax.

We have a chance to test this baby, see how it works. We have seen it work very well.

Let me add in closing that this budget resolution puts the brakes on some of the budgetary tactics used in recent budgets and puts our Nation back on a path toward fiscal discipline. While we can't solve all our budget problems in 1 year, this bill represents the opening

salvo in a multiyear battle to reduce our deficits and prevent our children from bearing the cost of ever greater deficits.

At the President's first fiscal summit a month or so ago, he noted:

While we are making important progress toward 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 to address our long-term challenges.

He is right. To paraphrase Robert Frost, we have miles to go before we sleep.

I stand ready to help this President, to work with my colleagues, Republican and Democrat, House and Senate, to make some of those tough choices and to tackle the challenges in the years to come.

I yield the floor.

ADJOURNMENT UNTIL 10 A.M.
TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 10 a.m. tomorrow.

Thereupon, the Senate, at 8:46 p.m., adjourned until Wednesday, April 1, 2009, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF ENERGY

INES R. TRIAY, OF NEW MEXICO, TO BE AN ASSISTANT SECRETARY OF ENERGY (ENVIRONMENTAL MANAGEMENT), VICE JAMES A. RISPOLI, RESIGNED.

DEPARTMENT OF COMMERCE

LAWRENCE E. STRICKLING, OF ILLINOIS, TO BE ASSISTANT SECRETARY OF COMMERCE FOR COMMUNICATIONS AND INFORMATION, VICE JOHN M. R. KNEUER.

DEPARTMENT OF THE INTERIOR

HILARY CHANDLER TOMPKINS, OF NEW MEXICO, TO BE SOLICITOR OF THE DEPARTMENT OF THE INTERIOR, VICE DAVID LONGLY BERNHARDT, RESIGNED.

DEPARTMENT OF JUSTICE

THOMAS E. PEREZ, OF MARYLAND, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE WAN J. KIM.

WITHDRAWAL

Executive Message transmitted by the President to the Senate on March 31, 2009 withdrawing from further Senate consideration the following nomination:

JONATHAN Z. CANNON, OF VIRGINIA, TO BE DEPUTY ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE MARCUS C. PEACOCK, RESIGNED, WHICH WAS SENT TO THE SENATE ON MARCH 11, 2009.