

times, more money will be coming out of the Social Security fund than going in.

"Looking at entitlements in general, Social Security, Medicare, Medicaid, and other programs will soon consume about twice the percentage of the federal budget they did four decades ago. If we don't rein this spending in, soon we'll have only have a fraction left for things like defense, roads, bridges, and special ed. And this is not a problem that raising taxes will solve. In order to meet all our current entitlement promises, we'd have to extract \$495,000 from every American household.

"The expansion of entitlement spending is a looming crisis that has been overlooked for too long. And with control of the White House and big majorities in Congress, Democrats now owe it to the American people to put their power to work on this vital issue. And here's my pledge: If they do so, they can expect more cooperation from Republicans than the last President received from them.

"President Obama has said he wants to tackle the entitlements crisis. But in order to succeed, he'll have to continue to reject the hyper partisanship that exists in some quarters of Congress. And he will have to engage Republicans on the merits of our ideas.

"The good news is that most people think ideas should be assessed on their merits, not on the senator or the president who proposes them. Our new President seems to think the same thing. And as Senate Republican Leader, I also pledge to make this a firm principle in my dealings with the Obama Administration.

"President Obama's campaign reminded many in Washington, including many Republicans, of the aspirations that the Americans people have about their government.

People want their leaders to work together to solve problems, not to set traps. The challenge now is for both parties to cooperate, not just in word but in deed.

"In all this, politics will have its place. But at this moment, achieving big things for the country is where my ambitions lie. Voters from both parties think Washington is broken. And that's a shame. But if both parties have helped create this cynical view of government, then both parties will have to work to correct it. And we can start, once the current debate over the Stimulus is through, by working to reform Social Security and Medicare.

"In this and in other efforts, there will be disagreements. But they can be principled disagreements, and the result of principled disagreement is often principled cooperation. The result won't satisfy everyone. As Bob Dole said of the 1983 Social Security fix, 'No one got everything, and everyone got something.'

"But many of the domestic problems we face are simply too great to kick the can down the road any longer. We need to summon the courage to act on issues that are of grave concern to our nation's future. And the long-term sustainability of entitlements is one of them.

"As Republicans look for common ground in this and other areas where legislative progress can be made, some will no doubt accuse us of compromise. But those who do so will be confusing compromise with cooperation. And anyone who belittles cooperation resigns him or herself to a state of permanent legislative gridlock. And that is simply no longer acceptable to the American people.

"President Obama has shown himself to be a man of legislative ambition. He reaffirmed this on Tuesday when he called on the country to recognize collective failures, and when he called on politicians to step up to the unpleasant tasks and seek first the interests of the whole.

"Make no mistake: Some of our new President's proposals will be met with strong,

principled resistance from me and from others. But many of his ambitions show real potential for bipartisan cooperation. And if we see sensible, bipartisan proposals, Republicans will choose bipartisan solutions over partisan failures every time.

"Thank you very much."

Mr. ALEXANDER. Mr. President, I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

GEITHNER NOMINATION

Mr. BUNNING. Mr. President, I rise to speak in opposition to the nomination of Timothy Geithner to be Secretary of the Treasury. Of the many positions in the Federal Government about to be filled, the Treasury Secretary is among the most critical today. We are confronted by several financial panics and disasters, and one false move by the Secretary of the Treasury could result in years of stagnation and high unemployment.

Even before the disclosure of Mr. Geithner's tax problems, I had serious reservations about his nomination. Mr. Geithner has been involved in about every flawed bailout action of the previous administration. He was the front-line regulator in New York when all the so-called financial innovations that have recently brought our markets to their knees became widespread. He went along with all the flawed monetary policy decisions of Alan Greenspan and Ben Bernanke, and he stretched the law beyond recognition to bail out Bear Stearns and later AIG. All those actions, or failures to act, raise questions about the nominee's judgment, but his failure to pay his own Social Security and Medicare taxes, despite clear evidence he knew he owed the taxes, reflects negligence or worse toward the law he will be responsible for enforcing.

The financial crisis we are in the middle of today did not happen overnight and it could have been prevented. Easy monetary policy under former Federal Reserve Chairman Alan Greenspan provided the fuel for a speculative asset bubble that burst. Finally, it popped. Mr. Geithner helped Chairman Greenspan keep pouring that fuel on the fire from the day he got to the New York Fed.

More careful regulation by Mr. Greenspan, his successor Ben Bernanke, and other regulators could have better contained the damage from the bubble. Mr. Geithner sat at their side from 2003 until now. Yet he raised not one objection to their flawed regulations.

Even worse than supporting the flawed Greenspan and Bernanke poli-

cies, Mr. Geithner failed himself as a regulator. One of Mr. Geithner's most important jobs was to prevent the collapse of the largest and most important banks. One look at Citigroup today shows how he failed in that job. Although he talked about the great threat or the systemic risk, Mr. Geithner sat idly by as risk became more and more concentrated in the hands of a few large financial institutions and the pricing of risk became detached from reality. Trillions of dollars in savings held by Americans are being destroyed as a result.

When the crisis worsened last fall, Mr. Geithner helped craft the \$700 billion bailout presented to Congress. The Geithner-Paulson-Bernanke plan, as sold to Congress, was to buy toxic assets to bail out their Wall Street buddies—no strings attached. But soon, Treasury changed course, choosing to take equity in banks—an option explicitly rejected before Congress. Sadly, Mr. Geithner went along with all these decisions.

Finally, we have learned that Mr. Geithner is comfortable with giving tax dollars away, but not so much with paying them himself. Documents show he repeatedly acknowledged his tax obligation and then ignored clear instructions to pay. I find Mr. Geithner's explanation that this was a careless mistake unconvincing and unsupported by the facts.

His failure to pay what he owed cost Social Security and Medicare more than \$34,000, part of which would never have been repaid if Mr. Geithner was not nominated to be Secretary of the Treasury, a position which oversees tax enforcement. And he was able to convince the IRS to refund the penalties they initially charged. I hope Mr. Geithner will remember this experience when considering the tax issues of ordinary Americans.

This is all the more unfortunate because America needs a strong and credible Secretary of the Treasury now more than ever. The most recent Secretary treated Congress with borderline contempt and hostility. He was not forthcoming with information or explanations, only marching orders. I do believe Mr. Geithner understands the important role Congress has to play in our economic policies, and until his evasive and unsatisfactory answers about his tax problems, I thought he would at least do a better job than Secretary Paulson at working with Congress. When Mr. Geithner is indeed confirmed—and I know he will be by this body—I hope he will follow through on his promises to be a responsive and respectful Secretary of Treasury to Congress.

Mr. President, for all these reasons I have discussed, I cannot, in good conscience, support this nomination.

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

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

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I rise today to comment on Mr. Geithner's nomination to be the Secretary of the U.S. Department of the Treasury. Although I became a member of the Senate Finance Committee only Thursday, I have spent considerable time reviewing the nomination documents and testimony of Mr. Geithner. I also brought to bear my expertise as an accountant and long-time member of the Senate Banking Committee to make a determination on Mr. Geithner's qualifications. After thoughtful deliberation, I voted against his nomination in the Senate Finance Committee. I continue to oppose his nomination today, and urge my colleagues to do the same.

The position of Secretary of the Treasury is one of the most important nominations this chamber considers. The Treasury executes the domestic and international economic policy of the United States; our trade policy, the purchase and sale of public debt, regulation of national banks, and of course our tax policy. All revenues of the Federal Government pass through the doors of the Treasury.

This position is even more meaningful when we consider the economic condition of the United States today. We are in the middle of a global financial crisis. The U.S. economy is slowing and Americans are losing their jobs, homes, and retirement savings at an alarming rate. The Secretary of the Treasury will be immediately tasked with turning our economy around. This challenge can only be met by the most capable and qualified candidate. Unfortunately, I do not believe that candidate is Mr. Geithner.

As chairman of the New York Federal Reserve, Mr. Geithner helped to orchestrate major bailouts for Bear Stearns, AIG, Citigroup, and others. These bailouts have cost American taxpayers billions of dollars. The AIG bailout alone cost \$85 billion in September, 2008. Many of the actions taken by the New York Federal Reserve, under Geithner's leadership, were beyond the purview of the Emergency Economic Stabilization Act and taken without the explicit consent of Congress.

The money used in these bailouts was spent without transparency or accountability. They were also spent on corporate retreats and executive compensation instead of loans to thaw our frozen credit markets. Mr. Geithner's career at the New York Fed should be described more as a financier of Wall Street than as a steward of American monetary policy. I am apprehensive about supporting the nomination of someone who puts shareholder interests above the needs of hardworking taxpayers.

Mr. Geithner has also failed to provide specifics about his plans to use the

remaining \$350 billion in TARP funding. His testimony before the Senate Finance Committee last week displayed the same urgency and strong language as former Secretary Paulson's testimony before the Senate Banking Committee in September. Soon after, however, we saw that money spent in ways unaccountable to and unintended by the U.S. Senate and the American taxpayer. Measurable goals and clear direction are absolutely required if American taxpayers are to fully understand how and why their money is being spent to assist failing banks and companies. So far, Mr. Geithner has provided neither. I have not and will not support massive Government intervention to rescue private industry.

Finally, I believe Mr. Geithner's failure to pay \$34,000 in Social Security and Medicare taxes is inexcusable. The Treasury Secretary is in charge of the Internal Revenue Service and the enforcement of our Nation's tax code. As one of my colleagues already noted, "How do I explain to my constituents that I voted to confirm someone who will make them pay taxes, but sometimes does not pay his own taxes?" This negligent behavior deserves more than a simple slap on the wrist or half-hearted apology before a Senate committee.

In previous years, nominees for positions that do not oversee tax reporting and collection have been forced to withdraw their nomination for more minor offenses. They have been ridden out of town on a verbal rail. They have been forced to withdraw. The fact that we are in a global economic crisis is not a reason to overlook these errors. It should be a reason to more closely scrutinize Mr. Geithner's record and his judgment.

The Treasury Secretary makes policy decisions every day that impact the global financial markets and put America on a new economic path. These decisions are often made without the explicit consent, or even knowledge, of those outside the administration. While the Senate cannot scrutinize and debate every decision the Secretary makes, it is our duty to ensure the President's nominee has the character and judgment necessary to perform these duties successfully. Mr. Geithner's past negligence casts doubt on his qualifications in this regard.

Some of my colleagues in the Senate have argued that, despite these concerns, President Obama should have his choice of economic counsel confirmed because he is the President. I respectfully disagree. We are charged with the advice and consent of nominees under the Constitution. Are we saying there is only one person in the whole world qualified to handle the situation as it is today? With the broad authority granted to the Treasury Secretary and the enormous challenge facing the new Secretary to right our country's economic ship, President Obama's choice impacts every American in a very per-

sonal way. The Senate would not be doing its duty if we simply confirmed this nominee without addressing these issues.

Many of my constituents are asking, "Are you seriously considering putting someone who failed to pay their taxes in charge of the department which controls the IRS? You couldn't find anyone better?" Yet that is exactly what we are doing. Many of your constituents are asking the same thing, but my voice seems to be one of the few of dissent. But that is not why we have a Senate. The Senate is not supposed to be a group of "yes men" rubber stamping everything the executive branch sends us. We are supposed to stand out, stand up and reason during the rush. We are supposed to think and then act based on understanding and knowledge. We are not doing so today.

Mr. President, I intend to vote against the nomination of Mr. Timothy Geithner as Secretary to the U.S. Department of the Treasury. The Senate needs more time to fully address the problems I have identified and debate Mr. Geithner's qualifications. I respectfully urge my colleagues to vote no.

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

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

The assistant legislative clerk called the roll.

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

The PRESIDING OFFICER (Mrs. HAGAN). Without objection, it is so ordered.

SCHIP REAUTHORIZATION

Mr. KYL. Madam President, this week the Senate is considering the so-called SCHIP bill, the State Children's Health Insurance Program, which is what SCHIP stands for. It is a program that has been worthwhile to take care of kids who are from families of lower income and need help with their health insurance. Last year, we attempted to work in a bipartisan way to get a reauthorization of the so-called SCHIP bill. This year, however, the Democratic majority has decided to work it alone, to write a partisan bill without Republican input. In fact, every single one of the Republican amendments offered during the Finance Committee markup of this bill last week was defeated. There was one small amendment that was accepted; otherwise, they were all defeated.

It is my judgment that this is not the best way to start off the year—working together, bridging the partisan gap, all of the things President Obama talked about, trying to put the old politics behind us—if we are simply going to approach something this important on a partisan basis.

I rise to talk about four specific ways in which I hope we can come together and work in a more bipartisan way to improve the bill. It doesn't put low-income children first, and that should be the whole point of the SCHIP bill.