

entitlement spending. Every independent observer feels that such a balance is a critical part of the solution. The question is what the balance should be between revenue increases, budget and benefit cuts, and most critical of all, how we change doing business. The reform and evolution of our government's role is central. Unless we can change the way we do business—Medicare, defense, agriculture—no amount of tax increase or program cuts will get America to where we need to be with our economy and government services.

This is the debate that we Democrats, especially those who are in the center or left of center, should welcome. This is what the majority of the American public and independent observers without an axe to grind believe to be the real issues. This is a debate that certainly has not occurred on the national level, especially during the election, but it should have. I, for one, will resist the efforts to reject out of hand the cochairs' proposals before they have even worked their way through the commission. Instead, I will focus on areas where I think agreement can be built across the political spectrum and, most important, with the American public.

In a period of spiraling deficits and reductions in government services, how high a priority is a mortgage interest deduction on expensive third homes? Do we need to spend billions of dollars protecting West Germany from the Soviet Union when both countries ceased to exist more than two decades ago, and it has been more than half a century since the end of World War II?

Many candidates who ran under the Tea Party banner have argued against the lavish, unnecessary system of agricultural subsidies that are bad for the taxpayers, bad for the environment, and shortchange most of America's small farmers and ranchers. This has been an area where Republicans and Democrats alike have labored for reform; and in some areas, we have been joined by President Obama. Don't we see the potential for a coalition to get this across the finish line?

Yes, by all means, debate the rebuilding and renewing America. This was a great point in the report. There will, for example, be high-speed trains in America in the next 20 years. The question is: Will Americans invest and build them? Or will they be built, financed, and operated by the Chinese? What is the price of our high-speed rail connections managed by foreigners, and we pay them for the privilege? This is why I hope that people across the country, especially Democrats and, in particular, our leaders, move to embrace areas of agreement.

To be sure, there are areas that I find problematic. There are some with which I strongly disagree. But they shouldn't merit rejection of the whole package before we even have the debate. Instead, I welcome the opportunity to discuss, debate, and analyze

elements on which we don't see eye to eye. How about some good old-fashioned, if somewhat boring, civic education and discourse? It is, after all, only the future of our Nation that is at stake.

GRANDFATHERING HEALTH PLANS AND 1099 REPORTING MANDATES

The SPEAKER pro tempore (Mr. INSLEE). The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

Mr. STEARNS. Mr. Speaker, we are 8 months into the passage of the more than 2,000-page health care bill, and already we are beginning to see some of the problems that the new health care law brings with it.

When Congress passed the massive health care bill, I said that it would lead to millions of Americans losing their current health care plan. I was so concerned about this happening that I offered an amendment to the bill in the Energy and Commerce Committee markup and at the Rules Committee to protect people's health care plans. It was a very simple amendment. It stated, "Nothing in this act shall be construed to prevent or limit individuals from keeping their current health coverage." This amendment was voted down in committee, and the Rules Committee prevented it from being offered on the House floor during debate on the health care bill.

□ 1240

Fast forward now 6 months, and the Department of Health and Human Services has just issued the rules that govern grandfathered health care plans. These are health plans that existed before the passage of the ObamaCare and could continue to operate as they have without all the new costly mandates and regulation that the health czar will impose.

Unfortunately, the rule governing grandfathered health plans is so restrictive that most of the current health plans will not qualify. Businesses will be forced to buy new health plans under the control of the Federal health czar.

How many will lose their current health plan? Up to 80 percent of small businesses will be forced to buy new ObamaCare-approved health care plans. Up to 64 percent of large businesses health plans will be forced to buy the new ObamaCare approved health plans.

Now, you may wonder, where do I get these numbers? It's in the regulations. HHS' regulation on grandfathered health plans clearly states that up to 80 percent of small businesses and up to 64 percent of large businesses will simply lose their current plans. They admit that it will force people out of their current health plans.

Health care reform should be about giving consumers more options, more choices, not forcing them out of the plans they currently enjoy.

Yet despite hurting small businesses for having health plans that do meet

the high standards set by HHS, just this month the Obama administration recently gave waivers to organization health plans that do not meet the requirements of the health care plan law. These plans failed to meet the law's definition of minimal coverage.

However, the Obama administration provided waivers to up to over 100 organizations, many of them unions, who offered limited benefits health care plans that do not comply with the law. If the law is good, why do you need to provide exemptions from it?

Another problem with ObamaCare is it will require all business-to-business transactions over \$600 annually to file a 1099 IRS form. This is a massive burden on small businesses. They will be forced—this will force millions of small businesses to track all their expenditures by vendors and require small businesses to obtain taxpayer information numbers from everyone they do business with.

So, has Congress tried to fix this problem? No. In fact, Democrats have taken it a step further. The recently passed Small Business Act included a provision that would expand the 1099 reporting requirement even further to included expenditures on your rental property. This means that if you spend more than \$600 over the course of a year with a handyman for repairs or improvement, you'll need to file a 1099 form.

Imagine, if you work as a general contractor and regularly buy building materials from a hardware store, you'll need to issue the store a 1099 form. If you are a trucker and regularly buy gasoline from the same gas station, you'll need to issue that gas station a 1099 form.

It is simply wrong to require additional burdens on small businesses. Small businesses represent 99 percent of all employment firms. Small businesses employ just over half of all private sector employees and 44 percent of total U.S. private sector payroll. Small businesses have generated 64 percent of the new net jobs over the past 15 years.

Yet despite a massive recession and double digit unemployment, the administration is finding new ways to hurt small businesses and prevent job growth.

Mr. Speaker, the new Republican majority will work to create jobs and not add more regulations and burdensome paperwork and, in fact, rescind these mandates.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 43 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CUMMINGS) at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God of history, yet ever-present to Your people, as the sunlight is diminished, hot winds of pundits and prophets blow across the land. People complain with increasing volume to one another, but they are not seen crying out to You.

Jeremiah, traditionally the man of tears, has a teaching for people of this information age, how to truly lament. His faith in You is more powerful than any terrorist attack, so he refuses to be negative. The signs of corruption and ruins of former days surround him, but he never allows doubt in You. They are only the consequences of the sinful actions found in the powerful and poor alike.

So believing in the same divine providence which enlightened this Nation's Founders, Jeremiah says:

"Wise men should not boast of their wisdom, nor strong men of their strength, nor rich men of their wealth. If anyone wants to boast, he should boast that he knows and understands Me. He knows My love is constant, and I do only what is kind and just. These are the things that please me. I, the Lord, have spoken."

Let those who hear the Word of God say: "Amen."

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Louisiana (Mr. FLEMING) come forward and lead the House in the Pledge of Allegiance.

Mr. FLEMING led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

FULL BODY SCANNERS VIOLATE
FOURTH AMENDMENT

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, a trip to the airport these days leaves Americans with embarrassing choices. Law-abiding citizens can bare it all through a peekaboo body scanner—or

they can get groped in a pat-down search by a Federal employee. Now that's a real choice.

There is no evidence these new body scanners make us more secure. But there is evidence that former Homeland Security Chief Michael Chertoff made money hawking these full body scanners.

The underwear bomber tried to blow up a plane over Detroit last Christmas. Shortly thereafter, Chertoff went on a media tour promoting the full body scanners. This former Homeland Security chief told everyone we had to have the full body scanners at airports to be safe. Too bad he didn't disclose he was getting paid to sell these intrusive devices. Isn't that lovely?

Meanwhile, the populace is giving up more rights in the name of alleged security. These body scanners are a violation of the Fourth Amendment right against unreasonable searches and seizures. There must be a better way to have security at airports than taking pornographic photographs of our citizens, including children, and then giving apparent kickbacks to political hacks.

And that's just the way it is.

EXTEND ALL TAX CUTS

(Mr. FLEMING asked and was given permission to address the House for 1 minute.)

Mr. FLEMING. Mr. Speaker, in just a few weeks, the Obama tax hike time bomb, otherwise known as the expiration of the current tax cuts, will explode, resulting in the highest single tax increase in U.S. history.

For some, it is tempting to accept the argument that increasing taxes on upper incomes and small businesses will solve our deficit problems. However, any clear-thinking American knows that confiscating more money from Americans through taxes to feed a rapidly growing government will only lead to a continued death spiral of increased taxes and expanding government. Ultimately, we will have a shrinking private sector and fewer jobs.

Mr. Speaker, on November 2, the American people spoke loudly, and they said that we are in desperate need of reform in the way this government does its business. To that end, let me suggest that instead of making tax cuts temporary and spending permanent, that we make tax cuts permanent and spending temporary. It is time for Congress and the President to put the American people first and extend permanently all of the current tax cuts for families and small businesses in order to make this economy sound for generations to come.

VALUE-ADDED TAX

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, in May, 154 of my Republican colleagues and I sent a letter to the President's Fiscal Commission asking them to reject a new value-added tax as a way to balance the Federal budget. With top White House advisers like John Podesta and Paul Volcker talking about the need for a VAT tax, there was great concern that the Fiscal Commission would look to this tax as an easy way to raise more revenue. Last week, I was pleased to see that the cochairs released a preliminary report that did not call for a new VAT tax.

The ease with which a VAT tax can raise revenue makes it especially dangerous. The government cannot create jobs, and a VAT tax would only further deplete resources from the private sector, the true center of job growth.

Now we need to have a serious debate in Congress about the best ways to control government spending and let the private sector flourish, grow, and create sustainable jobs.

LAME DUCK SESSION SHOULD INCLUDE
AIRLINE SECURITY MEASURES

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, the top priority of Congress for this lame duck session should be extending the tax cuts for all Americans in order to create jobs and get people back to work. Once this important matter is completed, I strongly encourage Congress to consider ways to protect the privacy of airline passengers while keeping air travel safe and secure.

Air travelers across America have come to expect a certain level of discomfort and anxiety when they fly; and for the most part, these American travelers are good sports and team players in the name of tight security. Recently, though, the patience and privacy of these travelers has been tested at a whole new level with full body scans. These intrusive scans are one such screening method that Congress should examine this year. I support the Aircraft Passenger Whole-Body Imaging Limitations Act, authored by Congressman JASON CHAFFETZ of Utah, to make sure the images lifted from scanners are not stored, transferred, or shared.

In conclusion, God bless our troops, and we will never forget September 11th in the global war on terrorism.

CONGRESS MUST ACT TO STOP
TAX HIKE

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, 2 weeks ago today, the American people registered a historic rejection of American