months was killed in the tragic I–35W Minneapolis bridge collapse on his way home from work. They talked about having children. So Betsy Sathers decided to adopt some children. She signed up to adopt kids in Haiti. She recently returned from celebrating their second birthday—twins. That is who I am talking about when I talk about someone who is awaiting the arrival of these children in her home.

This is another family—I have their picture here—I met over the weekend. Ginger and Dale Reynolds are adopting two kids, Roselene and Rodeley. They were in the final stages and hoping to bring their kids home. They were told they were in the next batch of adoptions when they last visited before the earthquake hit.

What is striking about this family is that Ginger still signs all of her e-mails with blessings, and they are still incredibly positive despite having their kids in this orphanage. They are also stressing how they want us to help all families, not just theirs. When I met with them, another family was there who was not quite as far along in the process. They spent most of their time talking about how this other family should be helped as well.

Finally, Dawn and Lee Sheldon—I have their photo as well. This is when they were in Haiti. These are the two children they want to adopt who are not with them yet. They are adopting two children. The conditions have been very bad for the particular orphanage where their two kids have been staying. This family has been glued to CNN, which has filmed at the orphanage, looking to see these children's faces.

While we talk legalities, understandably, orphans in Haiti are continuing to suffer from lack of water, lack of food, lack of shelter. Many orphanages have been partially or entirely destroyed in the shocks from this quake. In others, the bodies of deceased personnel still lie near the children, for aid agencies are unable to take away all of the dead.

The hardship and the horror that these orphans face is extreme, and we must act now to bring them out from the unsanitary and potentially traumatizing situation in which they find themselves.

I am grateful for the quick work of Secretary Napolitano and Secretary Clinton. They are on the scene. They are doing the work. But we have to do everything we can to bring these children home. These orphanages, the ones that have not been damaged and are still functioning, need the beds, sadly, for other children. These children have homes to go home to—homes that are welcoming them, homes that consider them their children.

Mr. President, I yield the floor, and 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. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURRIS). Without objection, it is so ordered.

INCREASING THE STATUTORY LIMIT ON THE PUBLIC DEBT

Mr. BAUCUS. Mr. President, I ask consent to execute the order of December 22, 2009, with respect to H.J. Res. 45.

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

Under the previous order, the Committee on Finance is discharged of H.J. Res. 45 and the Senate will proceed to the consideration of the joint resolution, which the clerk will report.

The bill clerk read as follows:

A joint resolution (H.J. Res. 45) increasing the statutory limit on the public debt.

The PRESIDING OFFICER. The Senator from Montana is recognized.

AMENDMENT NO. 3299

Mr. BAUCUS. Pursuant to the previous order, on behalf of the majority leader, I have a substitute amendment at the desk which I now call up.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. BAUCUS], for Mr. REID, proposes an amendment, numbered 3299.

Mr. BAUCUS. I ask unanimous consent that further reading be dispensed with.

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

The amendment is as follows:

(Purpose: In the nature of a substitute)

Strike all after the resolving clause and insert the following: ''That subsection (b) of section 3101 of title 31, United States Code, is amended by striking out the dollar limitation contained in such subsection and inserting in lieu thereof $14,294,000,000,000.''.

AMENDMENT NO. 3300 TO AMENDMENT NO. 3299

Mr. BAUCUS. Mr. President, pursuant to the previous order, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 3300 to amendment No. 3299.

Mr. BAUCUS. I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To protect Social Security)

At the appropriate place, insert the following:

( )(a) LIMITATION ON CHANGES TO THE SOCIAL SECURITY ACT.—Notwithstanding any other provision of law, it shall not be in order in the Senate or the House of Representatives to consider any bill or resolution pursuant to any expedited procedure to consider the recommendations of a Task Force for Responsible Fiscal Action or other commission that contains recommendations with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

(b) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(c) APPEALS.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

Mr. BAUCUS. Mr. President, Ralph Waldo Emerson enjoined:

Pay every debt as if God wrote the bill.

Today, we will debate whether the United States continues to pay its bills. We will debate whether the United States will continue to pay the interest it owes on the money it has borrowed.

The spending laws that created the current national debt are behind us. The only question that remains is whether the government will honor its obligation to pay the bill. We have gone to the restaurant, we have eaten the meal, the waiter has delivered the check, and now the only question is whether we will pay the check. To state the question is to answer it: We simply must do so. We must pay the check for the bill, for the restaurant, for the meal we have eaten.

The legislation before us would increase the limit on the amount of money the U.S. Treasury can borrow. If Congress does not enact this legislation, and soon, then the Treasury would default on its debt for the first time in history. If Congress does not enact this legislation, then the government would fail to pay the benefits to a portion of Social Security recipients, the Government would fail to pay benefits to a portion of the beneficiaries of all other Federal programs. That plainly would be unacceptable, and plainly we must enact this legislation.

When the Federal budget runs a deficit, the U.S. Treasury must borrow money to make up the difference. In language around here, we call it the shortfall. That shortfall results from laws enacted in the past that spent money and cut taxes. If we want to avoid the need to borrow, then Congress and the President must enact laws that will cause the Federal Government to spend less money or raise more revenue in the future. Simply preventing the Treasury from borrowing more money is not the solution.

If Congress does not allow the Treasury to borrow more money, then the Treasury will not have the money to pay its bills. The Treasury has no legal authority to prioritize spending and pay only the most important bills. They do not have that authority. If the bills are due, they are due. The Treasury does not even have a way to determine which are the most important bills. If the debt ceiling is not raised, the Treasury would have to pay bills on a first-come, first-served basis. Some of these bills would be interest payments on previously borrowed money. If the Treasury does not pay these interest payments, then the Federal Government would default on its financial obligations. That would be the first time in the history of the country. If that were to happen, financial entities would be afraid to loan the Treasury money. They would charge astronomically higher interest rates. This would only worsen already high budget deficits.

In some situations, the financial entities would not loan us money at all. This could prevent the Federal Government from meeting all of its programmatic commitments, but the disastrous economic effects would go well beyond that. The price of Treasury securities in the secondary markets would drop. This would cause an immense wealth loss for owners of assets in many other financial markets. This, in turn, would cause untold damage in those markets and further worsen the recession.

What is more, the value of the dollar could drop even further. This would increase inflation in the United States. It could well end the dollar's role as the reserve currency of the world, further exposing the American economy to global economic forces beyond our control.

In addition to paying interest costs, the Treasury pays many other important bills. Among those bills are Social Security benefits. If Congress does not raise the debt limit, then Social Security benefits would have to compete for funding on a first-come, first-served basis with all other Federal payments. If Social Security payments did not come up for funding first, then they would not be paid.

Clearly, we should not let this happen either. The conclusion is simple. We must raise the debt ceiling. Federal budget deficits are at record highs. Why is that? The reasons are simple. We have been and still are in the deepest recession since the Great Depression. We have been in an unprecedented financial crisis. The current administration inherited those problems.

How have these problems contributed to record deficits, we might ask? Well, first, the recession directly affects the Federal budget. The recession has caused revenues to fall to record lows. Since 1970, the Federal Government has collected an average 18 percent of the gross domestic product in tax revenues. That is since 1970. In 2009, however, revenues accounted for only 14.9 percent of GDP, a drop of more than 3 percent.

Meanwhile, the recession has required much greater sums to be spent on unemployment benefits and on Medicaid payments. Second, Congress has had to pass legislation to fight the recession. We needed to enact a large stimulus package to foster economic growth. The package Congress enacted provided stimulus of about $185 billion in fiscal year 2009, and it is estimated to provide stimulus of about $400 billion in fiscal year 2010. This package has done some good—not perfect, but it has done some good. It helped prevent a deeper recession. It has significantly increased economic growth.

Regrettably, the package has not produced enough jobs yet. The Finance Committee and other committees will be looking at additional options to increase job growth as soon as we can turn to them. But let's be clear. If Congress had not enacted the stimulus package, then the country would be in a depression instead of a recession. The stimulus package was the right thing to do.

Third, as a result of the financial crisis, the Bush administration asked for and Congress gave legal authority under the Troubled Asset Relief Program, known as TARP. TARP gave the President authority to help financial institutions, as well as the struggling automotive industry, to weather the financial storm.

The Bush administration was using these authorities before the Obama administration took office. So the recession and financial crisis created needs that, in turn, led to high deficits and record borrowing. How do we reduce such commitments for the future? They are too high. We have to stop. We have to do something about all this. How do we avoid having to borrow such huge sums of money in the future? First, we have to fix our health care system. The current health care system has led to skyrocketing costs in Medicare and Medicaid.

To reduce those costs for the long run, we need to pass comprehensive health care reform. That is a good first step to get that deficit under control. That is exactly what we are doing. In late December, the Senate passed health care reform. According to the nonpartisan Congressional Budget Office, our health care reform bill reduced the Federal deficit by $132 billion in the first 10 years. Let me say that again.

According to the CBO, this health care regulation will reduce the Federal deficit by $132 billion in the first 10 years—not increase but reduce. That helps. The bill would reduce Federal deficits by $650 billion to $1.3 trillion in the second 10 years; that is, in the second 10 years, there is a much greater reduction in deficit spending, according to the nonpartisan Congressional Budget Office, a reduction of between $650 billion to $1.3 trillion, a reduction in the Federal deficit in the second 10 years. This deficit reduction is likely to continue in subsequent decades.

Second, after we do all that, after we do all we can do to increase job growth, we need to start working on deficit reduction for the coming decade and also subsequent decades. Because the economy was in a deep recession and the financial markets were frozen, the government borrowed a lot of money. Once the recession is over, we have to reduce borrowing to a fiscally responsible level, and we should begin doing that as soon as we can.

But in the meantime, we cannot allow the Nation to default on its debt. We cannot allow benefits from programs such as Social Security to be paid on a first-come, first-served basis. No one enjoys raising the debt limit. Nobody. It is not something that is a lot of fun to do. No one enjoys paying debts either, but it is simply what we must do to honor our commitments.

There were times when the Senate joined together in recognition that we have this obligation as a joint obligation. Four times in the last 26 years, the Senate has raised the debt limit by unanimous consent. Let me repeat that. Four times in the last 26 years, the Senate has raised the debt limit by unanimous consent. The Senate did so as recently as 1996, under a Republican Senate and a Democratic President.

The Senate did so by unanimous consent three times in the 1980s, twice under a Democratic Senate and Republican President. It has been more than 17 years since the Senate last divided strictly along party lines on a debt-limit vote. We have raised the debt limit a dozen times since then. Honoring the Nation's obligations should not be a partisan matter, and usually it is not. It has until recently not been a practice of the minority in the Senate to filibuster debt limit increases. Under President George W. Bush, the Senate raised the debt limit four times, with simple majorities, with fewer than 60 votes. The Senate did so twice under President Reagan as well.

All but four sitting Senators have voted for a debt limit increase at one time or another in their careers. Among sitting Senators who have served in more than one Congress, only one Senator has never voted for a debt limit increase.

So I call upon my colleagues to rise to the occasion. Let us pay our debts. Let us honor our obligations. Let us allow the debt limit to be raised.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I think most of the people watching this debate, studying how Congress works and how the Federal Government works, know there is a statutory limit on the amount of debt that can be issued by the Federal Government. If the public does not know this, they are constantly reminded of it because, from time to time, we pass legislation that does what this legislation does, increase the borrowing capacity of the Federal Government.

Right now this legal limit stands at $12.394 trillion, and it applies to money borrowed from Federal investors such as banks and pension funds, as well as money borrowed from government programs such as Social Security and Medicare. Yes, we ought to admit that a lot of the Federal debt is owned by various foreign governments as well. I think the latest I saw, in the case of China maybe investing and holding about 8 percent of all the Federal debt and then you have other countries as well.

This determination is made when the Secretary of Treasury goes to the market and says: We want to borrow X number of dollars, and people bid on it. Obviously, we take it for the lowest interest rate we can get, whatever individuals or pension fund or foreign entity might want to take our debt for that interest. That happens throughout the year.

The decision to increase the debt limit is never an easy one. In recent years, I have reluctantly supported increases in the debt limit on the grounds that Congress must pay its bills. That is quite obvious. Some countries—such as Argentina—decided, from time to time, they did not want to pay their debt, and they are paying the piper for making those unwarranted public decisions in those countries. We do not want to be in that shape.

But Congress sometimes, and too often, has been very irresponsible. I am going to get into some of this current irresponsibility but, at the same time, I do not wish to say some other political party is entirely responsible, over a period of decades, for irresponsible spending. But I think it has reached a new height recently. Because of that, I will be voting no.

Sometimes deficits are unavoidable. People know about wars. The No. 1 responsibility of the Federal Government is to provide for the national defense, the protection of Americans or a threat to our security. We meet that threat. If that requires borrowing to do it, to protect the United States, we consider that justified.

But you cannot plan for wars. You can plan for peace by having a strong national defense. So war is one reason, recession is another. Natural disasters are another example. All of these can result in lower taxes and higher spending, which produces bigger deficits that add to our Federal debt.

But sometimes deficits can be avoided. Since the beginning of 2009, the majority in Congress has approved a $787 billion stimulus bill, a $408 billion supplemental appropriations bill, an additional $350 billion for the financial bailout, and, most recently, an Omnibus appropriations bill that increased Federal spending by 12 percent over the previous year's levels.

In my recent 21-county tour of southeast Iowa, I discussed the most recent example as an example of how spending recently has gotten entirely beyond the commonsense view that Midwesterners look at spending by government. I pointed out how 1 year ago today, the new President was sworn in. The previous President was under a budget that was established for a 5-month period of time. That last budget under Bush had spending at a 3-percent increase. But just as soon as the new majority came into power with a new President, that 3-percent increase was not enough for the remaining 7 months, it was jacked up to 9 percent and then, for the year we are in, the 12 percent I just spoke about.

I think you have to adopt a principle of spending that has increases in expenditures related to the economic growth of the tax policies that provide revenue to the Federal Government. That doesn't have to be on a year-to-year basis, but over a long period we ought to have that balance. In other words, without increasing tax rates, with economic growth of the tax base, more money will come in to the Federal Treasury under the same tax rates.

Well, that growth in Federal income coming in makes it possible to appropriate more money, but there ought to be some relationship between the amount of money coming in and the expenditures made by the Congress.

The bills I just referred to—the stimulus bill, the Omnibus appropriations bill, and others—I voted against every one of those on the grounds that we could not afford them. The fact that we are here this week facing yet another vote to increase the debt limit proves that is true. Many of my colleagues, particularly on the other side of the aisle, insist that it is not their fault. They continue to blame previous administrations for all fiscal problems.

I want to make it clear that we in the Republican Party got kicked out of the majority in 2006 because we lost fiscal integrity. I hope we are reestablishing that, and I hope that in the process of reestablishing that we can convince the people who had doubts about Republicans that we can regain their trust.

More recently, as I indicated, it seems a great deal of the current debt problem is related to irresponsible spending that has taken place near term.

What do they target us with when they want to blame us for the deficit? They criticize the 2001 and 2003 tax cuts which they insist were excessive and unfair. Such criticism overlooks several facts. First, these were not Republican tax cuts. They passed both the House and Senate with bipartisan support. Second, Federal revenue quickly returned to the historical average following these tax cuts, so they were not excessive relative to the government's historic claim on revenue.

I suppose you can take any period of time you want, but in the post-President Kennedy period of time, it seems to me the average take of the economy that has come through the Federal Government in the way of taxes has been about 18 to 19 percent. Even including the tax cuts of 2001 and 2003, those cannot be considered excessive relative to the government's historic claim on revenue; in other words, what the government takes as opposed to what they leave in the pockets of taxpayers in the United States.

It is very important to remember that our Tax Code is not fully indexed to inflation and economic growth. Thus, every year without a tax cut results in a small but not insignificant tax increase or more revenue coming into the Federal Treasury without our actually changing rates. Indeed, without the 2001 and 2003 tax cuts, Federal revenue would have risen well above that historic average of 18 to 19 percent. In fact, when we passed those tax cuts, it was very near 21 percent.

Third, critics insist that the 2001 and 2003 tax cuts unfairly benefitted the wealthy. Again, critics are wrong. I quote the Congressional Budget Office. Around here, we don't question the Congressional Budget Office. Maybe you want to. But if you want to question them, it takes 60 votes to override their determination of something, if there is a budget point of order.

According to the Congressional Budget Office, the bottom 90 percent of households pays the smallest share of Federal taxes in nearly 30 years while the top 10 percent pays the largest share. When taxes are measured as a share of income, the bottom 90 percent of households pays the lowest effective rates in nearly 30 years while the top 10 percent pays their historic average.

You can say it many times, but it never sinks in because people have their own ideas of how to show populism, and it is to always hit the wealthy of America. From that standpoint, you have to understand that percentage of top income earners, if you compare what they are paying into the Federal Treasury now with what they were paying in even during the Reagan years, you will find it is a much higher percentage right at this point.

In regard to what I just said about historical averages, President Obama's budget and the budget resolution adopted by the Democratic majority in Congress last year both called for the continuation of 70 to 80 percent of the 2001 and 2003 tax cuts. So you can badmouth those tax bills all you want, but the new President, the new majority wants to maintain about 70 to 80 percent of them. So some of it isn't so bad, but you never hear that. It is all about the 2001 tax cuts being everything for the wealthy.

If these tax cuts were so excessive and so unfair then, why does the majority party support so many of those tax cuts right this very day?

The desire to blame our current predicament on the previous administration also overlooks two other facts. First, the Democrats controlled the majority of the Senate during half of the previous administration, including its final 2 years. I think it is disingenuous for them to deny any responsibility for where we are today.

Second, when the new administration took office in 2009, it sent up a budget that proposed to increase the debt three times faster than the previous administration. You know where that takes us to from the 40-year average? I talked about the 40-year average of the proportion of the GNP that is coming into the Federal Treasury as far as taxes are concerned at 18 to 19 percent. Take a 40-year average on what the percentage of the national debt is to gross national product. It is about 40 percent. This is going to be reaching 80 to 90 percent under this budget that was sent here in the previous year.

The majority party essentially approved most of that very same budget. So they have now signaled the intention to continue to increase the national debt at a record pace.

Finally, let me say a word about the health care bill adopted by the Senate. Rather than taking an incremental approach and waiting for the results to see what works and what doesn't work, the majority wants to raise taxes and cut Medicare to pay for a brand new health care entitlement program. If they use all of the tax hikes, and all of the Medicare cuts they can support to pay for more spending, how will they ever reduce the deficit? At what point will those who want to blame our current predicament on previous administrations take responsibility for actions that are taking place now?

This week we have an opportunity to do that. I am glad we have a long period of time to discuss the debt limit but connect it with a lot of policies that seem to be out of proportion to problems that we previously had. If they want to continue to vote for more deficit spending, it seems to me they should vote to raise the debt limit or take actions that would reduce the need for such a dramatic increase in the debt limit.

I yield the floor.

The PRESIDING OFFICER (Mr. FRANKEN). The Senator from Montana.

Mr. BAUCUS. Mr. President, on another matter which is topical and tragic and which is on the minds of Americans and people all over the world today, I rise to share a few remarks involving the overwhelming disaster that has hit Haiti.

Words do not begin to describe the extent of the disaster—thousands dead, more than 1 million homeless. Just imagine how bad it is. It is almost impossible to imagine. Families continue to search and mourn for lost mothers and fathers, brothers and sisters, and sons and daughters. The earthquake may be the most lethal disaster to ever occur in the Western Hemisphere. This is not a disaster on some distant shore. Haiti is closer to Florida, for example, than the distance from one end to the other of my State of Montana.

I am encouraged by the outpouring of help from around the world. Many have flown to volunteer. Others have helped through in-kind contributions, cash. In fact, I recently heard that a vast number of people responded on the Internet through Blackberry and Twitter to give contributions. It is a huge number—not individually large, but the total is a massive outpouring of support.

Americans have shown remarkable generosity. These are tough economic times, but millions still want to give. This is the American spirit. It is who we are as Americans.

Amidst this destruction and great sorrow, there are stories that offer incredible hope. Maxine Fallon, a 23-year-old student, was buried for 6 days without food or water. She was buried deep in the rubble which was once her university. She sent text messages pleading for help. A search-and-rescue team rescued her from the ruins of her cratered school. Since arriving, rescue teams from the United States and other countries have saved more than 75 victims from the rubble.

As Americans, we rise to aid our friends and neighbors who are in need. There is no people in greater need right now than the people of Haiti. Haiti is the poorest country in the Western Hemisphere. Fifty-four percent of the population lives on less than a dollar a day. With so many struggling to survive, the earthquake's swift destruction must be met with a response equally forceful and rapid.

I propose we pass legislation as soon as possible called the Haiti Assistance Income Tax Incentive Act or simply the HAITI Act. The HAITI Act will allow U.S. taxpayers to make charitable contributions to Haiti relief programs until March 1, 2010, and claim those contributions on their 2009 income tax returns. The proposal is similar to legislation that passed unanimously in 2005, following the tsunami disaster along the Indian Ocean.

The HAITI Act is a bipartisan bill I am introducing with Senator GRASSLEY and several other Senators. The same language passed the House of Representatives earlier today.

This is simple legislation that would make a big impact. It will make it a little easier for Americans to contribute to the victims of the Haiti disaster. Frankly, most Americans want to contribute anyway. The American Red Cross and UNICEF's United States Fund raised about $7.3 million in donations over a 4-hour period while a Larry King Live special on Haiti aired. But the relief and rebuilding effort in Haiti will require billions and will take a long time. This legislation is an additional incentive for Americans to contribute to that effort. As search and rescue efforts give way to building, these donations will ensure that our efforts have a lasting impact.

While we must do what we can to provide relief now, the people of Haiti will need our help for many years to come. This is not just a 1-week, 1-month, several-month effort. Trade programs such as the HOPE and HOPE II Acts provide an opportunity to create new jobs in Haiti's export sector. As the people of Haiti work to rebuild what was destroyed, I will continue to work to provide generous access to the U.S. market for products produced in Haiti.

The suffering in Haiti is heartbreaking and the generosity in response to the Haiti earthquake is a reflection of the American spirit. Today I stand with the people of Haiti and I ask my colleagues in the Senate to stand with me. Let's pass the HAITI Act and let's do everything we can to help those who have lost so much in this terrible disaster.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GREGG. Mr. President, I ask unanimous consent to speak for up to 10 minutes, and that after my speech Senator THUNE be recognized, unless the Senator from Montana has somebody in between he wishes to be recognized.

Mr. BAUCUS. Mr. President, I reserve the right to have somebody else speak following the Senator from New Hampshire.

Mr. GREGG. I ask unanimous consent that the next Member to be recognized on our side be Senator THUNE.

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

Mr. GREGG. I wish to thank Senator THUNE for his courtesy.

Mr. President, I wish to speak a little bit here on this debt ceiling issue because it is critical. It is critical because of the size of it. We as a nation are running up debt at a rate we have never seen in history. The budget which we are presently functioning under will add approximately $1.4 trillion of debt from last year and potentially another $1.2 trillion next year. Under the budgets that were brought forward by the President, it looks as though we are going to have $1 trillion in deficits every year for the next 10 years. That is an expansion of our debt at a rate we have never seen before, except in a time of war.

What is the implication of that? Nobody understands what $1 trillion is. I don't understand what $1 trillion is. It is very hard to conceptualize $1 trillion. So I wish to try to put it in context.

We know for a fact that certain nations get into trouble when they allow their debt to get so large that their economy doesn't have the capacity to pay it down in an orderly way. We are regrettably seeing that today in Greece. There are other nations in Europe that appear to have the same types of problems, including Ireland, where their national debt, their sovereign debt, has gotten so large they are basically in a position where their capacity to pay it off is at risk. So the value of that debt gets adjusted by the marketplace and it becomes much more expensive for those nations to borrow, and at some point, even, potentially they can't borrow and they end up in what amounts to a national bankruptcy.

That has never been a threat to us as a nation because we have always had a vibrant economy, and because the dollar, ironically, is the currency of world reserve, we have been able to basically what is known as monetarize our own debt. There have always been people out there willing to lend to us as a nation because they have always presumed that the United States, because of our resilience, because of our economic strength, will always pay our debt, and that is why Treasurys are considered to be one of the safest investments in the world, or traditionally have been. That has been a great strength of our Nation, of course, to have this sort of integrity to our currency and to our ability to repay our debt. However, on the course we are presently pursuing, all of that is going to be called into question and called into question much sooner than we had expected, I suspect, or anybody had anticipated who had looked at this objectively 2 or 3 years ago.

We know there are certain thresholds that generate huge warning signs where red flags go up and say, your Nation is in trouble. A couple of those thresholds have actually been adopted by the European Union as they have looked at their membership and said, What is the proper deficit of an industrialized nation? What is the proper public debt ratio to GDP of an industrialized Nation? In Europe what they say is, You can't be a member of the European Union if your deficits exceed 3 percent of GDP and your debt exceeds 60 percent of GDP, your public debt. Well, our deficits are around 12 percent of GDP right now. They will ultimately go down, but there is no time in the next 10 years where they are projected to fall below 5 percent of GDP under President Obama's budgets. Our public debt is going to cross that 60 percent of GDP threshold probably within the next year. So arguably, as I said before on this floor, we would not be able to get into the European Union if we wanted to, because we would not meet their standards for fiscal responsibility as a nation. That is pretty serious.

What is even more serious is there is no end in sight to this. We are looking at a deficit and debt situation which will continue to expand and become even more and more problematic for us as a nation for as far as the eye can reasonably see which, for the purposes of discussion around here, is about 10 years.

We know that the public debt-to-GDP ratio, under the President's budget as proposed last year before this health care bill was taken up—and I would argue that this health care bill is going to radically aggravate the public debt issue in the outyears, and there will be debate about that because CBO will debate that point, but I don't think all the pay-fors will ever occur—independent of that, we know that under the budget as it is presently presented, the public debt is going to exceed 80 percent of GDP—80 percent of GDP—by the year 2019. In fact, there are some estimates that say it will exceed 100 percent of GDP before we hit 2020. Those are intolerable situations.

What is the practical implication of our adding that much debt through deficit spending over the next few years to our economy? A few things occur, and they are undeniable. They will occur on the path we are presently on. The first thing that will occur is it will be much harder for us to sell our debt because nations will start to say—people around the world, including our own public, I suspect, will start to say, Can they really pay that back. When they cross that 60-percent threshold, which is basically a key tipping point on the ability of a nation to manage itself, and they start heading up towards 80, 90, 100 percent of GDP as the public debt ratio, can they really pay back their debt? People are going to say, Well, I am not so sure. I am going to charge them a fairly significant premium before I am going to lend them any money. So the cost of our interest will go up dramatically. In fact, it is projected that in the year 2019, interest on the public debt alone will exceed $800 billion a year. That is more being paid out in interest which goes to people all over the world—people in China, people in Saudi Arabia, all over the world—that interest will be higher than any other item of Federal spending. What a waste of money that is. What a waste of money that is. What a misuse of money. All of that money could be used for something constructive in the United States—building infrastructure, building schools, assisting education, whatever. If you are going to spend it, why would you spend it on interest?

So we will be in a position where it will be harder for us to sell our debt. Actually, we will probably get to a position fairly soon—and I am willing to bet on this; I won't be in this Congress at the time, but before we hit the year 2020—where we will actually have to take some radical step as a nation in order to deal with our debt. Because if we allow it to go up under its present scenario, it becomes totally unsustainable. It is like a dog chasing its tail; it can't get there. We can't pay down the debt.

The practical implications of that are twofold: Either, No. 1, you inflate the economy and devalue the currency, and that is a very harsh thing to do to the American public because it devalues their savings and it makes it harder for the economy to be productive or, No. 2, you radically raise taxes to try to reach the obligations of the debt, and that also dramatically impacts the economy. It makes us less productive. It means less jobs will be created. Either one of those scenarios, or only one of those two scenarios, or maybe a combination will occur if we continue on our present course, which means that the next generation will actually have a lower standard of living than our generation. It means it will be much more difficult for the next generation of Americans to buy a house, send their kids to school, buy a car, to live the quality lifestyle we have had as a nation. In fact, it will be the first time in history, if we stay on our present course, that one generation has handed to another generation a lower standard of prosperity and quality of life. It is inexcusable to do that. It is unacceptable. Nobody in this body who has a public responsibility to the next generation—and we all have that responsibility—should do that to our children.

So what are we going to do to address it? Well, put very simply, we need to stop spending so much money. That is the bottom line. We need to stop spending so much money. Under the projections in this budget as it presently exists and was passed in this Congress, over my objection and over the objections of everybody on this side of the aisle, it is projected that we are going to be in a situation where, as I said, there will be $1 trillion deficits for as far as the eye can see and the size of government spending will go from 20 percent of GDP up to about 24, 25 percent of GDP if the health care bill is also passed. That will be the highest level of Federal spending that has occurred in this government since World War II. We have never had those types of levels of spending. So it is not a revenue issue—although right now it is a revenue issue because, obviously, right now the economy is in a recession—but over the long run it is not a revenue issue.

Mr. President, I ask unanimous consent for an additional 2 minutes.

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

Mr. GREGG. It is a spending issue. It is not a revenue issue. It is primarily a spending issue. The fact is that we are spending a great deal more than we can afford as a nation, and this government has committed to a great deal more than we can afford. So we need to do something on the spending side of the ledger.

There is going to be a series of proposals brought forward by our side, and Senator THUNE is going to offer one in a minute, to try to get to the issue. They won't solve the whole problem, but they will at least make significant steps down the road of restraint and show that we are starting to get serious about it, and they are reasonable ones. Senator THUNE: End TARP. End TARP. We don't need it anymore. We should take those dollars and put them toward debt reduction. Freeze discretionary spending. That will be Senator SESSIONS' amendment, or something like that. Rescind some of the stimulus spending that is going to occur after 2011; that may be one of our amendments. I know Senator COBURN is going to suggest a series of other issues. All of these are steps in the right direction.

So I think on our side of the aisle the basic philosophy is this: It is irresponsible to increase the debt ceiling if you don't do something responsible about addressing what is driving the debt ceiling, which is spending. So we are going to suggest a series of initiatives around here that we believe are responsible on the issue of controlling spending, and I hope those initiatives will be passed so we can begin to put this country back on the road toward fiscal responsibility.

Mr. President, I yield the floor. Again, I wish to thank the Senator from South Dakota for his courtesy and the Senator from Montana as well.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 3301 TO AMENDMENT NO. 3299

Mr. THUNE. Mr. President, I have an amendment at the desk and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. THUNE], for himself, Mr. VITTER, Mr. INHOFE, Mr. JOHANNS, Mrs. HUTCHISON, Mr. BROWNBACK, Mr. LEMIEUX, Mr. BURR, Mr. ENZI, Mr. COBURN, Mr. BARRASSO, Mr. BENNETT, Ms. SNOWE, Mr. GRASSLEY, Mr. ENSIGN, Mr. CRAPO, Mr. WICKER, Mr. BUNNING, Mr. GRAHAM, and Mr. CORNYN, proposes an amendment numbered 3301.

Mr. THUNE. I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To terminate authority under the Troubled Asset Relief Program, and for other purposes)

At the appropriate place, insert the following:

SEC. ____. REPEAL OF THE TROUBLED ASSET RELIEF PROGRAM.

(a) IN GENERAL.—Notwithstanding any other provision of law, the authorities provided under section 101(a) of the Emergency Economic Stabilization Act of 2008 (excluding section 101(a)(3)) and under section 102 of such Act shall terminate on the date of enactment of this resolution.

(b) LOWERING OF NATIONAL DEBT LIMIT TO CORRESPOND TO TARP REPAYMENTS.—Section 3101 of title 31, United States Code, is amended—

(1) in subsection (b), by inserting after the dollar limitation contained in such subsection the following: '', as such amount is reduced by the amount described under subsection (d)''; and

(2) by adding at the end the following new subsection:

''(d) The amount described under this subsection is the amount that equals the amount of all assistance received under title I of the Emergency Economic Stabilization Act of 2008 that is repaid on or after the date of enactment of this subsection, along with any dividends, profits, or other funds paid to the Government based on such assistance on or after the date of enactment of this subsection.''.

Mr. THUNE. Mr. President, we entered into this debate about the debt limit today. I appreciate the comments of my colleague from New Hampshire with respect to the overall picture of our financial and fiscal condition in the country right now. I think it is important to put that context out there because we are debating now a substitute amendment that the Senator from Montana is offering on the debt limit increase. I think that was originally proposed in the $650 billion range. We are now talking about tripling that—a $1.9 trillion increase in the debt limit—after having just voted on raising the debt limit before we went out for the Christmas holiday by about $290 billion.

So we have this proposal on the Senate floor that would increase the total amount of indebtedness of the U.S. Government by $1.9 trillion. As the Senator from New Hampshire very well pointed out, we are looking at deficits now into the foreseeable future that exceed $1 trillion. It doesn't look like in the 10-year window in which we do budgeting in the Senate that we are ever going to have a year where we don't have a deficit that isn't in the $1 trillion range. We had a $1.4 trillion deficit last year and will have another $1.2 trillion deficit this year. We keep racking up more and more debt that gets passed on to future generations and taxpayers.

As the Senator from New Hampshire pointed out, for admission into the European Union there are a couple of key thresholds. One is debt as a percentage of GDP, which is 60 percent, which is the threshold for admission into the European Union, and deficits, which is about 3 percent. He pointed out very effectively that we are at a threshold in this country that exceeds dramatically the deficit, the GDP threshold that wouldn't even allow us to get into the European Union, and we are going to blow by the debt to GDP threshold in the next year, which is 60 percent to GDP.

My point is, we are getting in perilous territory when it comes to the confidence and trust the American people have in the Federal Government's ability to manage responsibly and exercise fiscal discipline with their tax dollars. We are also getting to a point where I think those who are acquiring U.S. debt—and by that I mean the Chinese who, of course, are a big holder of U.S. debt—get to start saying: If we are going to continue to buy this debt, we are going to get a higher return. The higher our debt goes, the more risk they take on.

It is a fundamental rule of economics that we all learned that there is a corresponding relationship between risk and return. If an investor is going to assume more risk, they are going to demand a higher return. What we are doing now by piling up more debt is saying to the people who would buy that debt, the investors out in the world or in this country is, this is becoming a more risky proposition for you. As we pile up more debt, they are going to start saying: OK, if we are going to buy that debt and finance your spending into the future, we are going to need a higher return. That means higher interest rates.

Of course, when you start seeing Federal Government debt go up in terms of interest rates, generally what happens is other interest rates in our economy will go up as well. So you will start seeing student loans, for example, and homeowners and small businesses all being impacted by higher interest rates as a result of what inevitably happens when you run these kinds of deficits year after year and add as much as we are to the Federal debt.

We are not showing any evidence that there is a willingness to restrain that. In fact, if we look at just the last year—of course, the $1 trillion stimulus bill sort of started off the spending. Then since then we have had an omnibus, or minibus, spending bill, both of which increased spending year over year by about twice the rate of inflation, and sometimes in excess of that.

But what we have seen now between fiscal years 2008 and 2010 are astronomical increases in the size of the Federal Government. If we start with the legislative branch appropriations bills between 2008 and 2010—that covers a couple of appropriations years—we are looking at a 17.3-percent increase. If we look at appropriations for the Interior and the Environment, it is an increase of 21.4 percent over that time period; appropriations for Commerce, Science, and Justice, an increase of 24.2 percent. Appropriations for Transportation and HUD increased a whopping 39.1 percent. The State and Foreign Operations appropriations bill beat even that and was increased by 48.7 percent.

Taken as a whole, the entire government grew by 16.8 percent during that time period. When I say that, I am talking between 2008 and 2010. We saw a 16.8-percent increase in the size of the Federal Government. That is just speaking to the appropriations bills over those 2 years. Of course, we all know that dramatically outpaces and dwarfs the rate of inflation and the growth we have seen in our economy over that time period.

What is even more notable is that none of those increases included the increased funding through the stimulus bill, which I mentioned was an additional $1 trillion. Of course, I am concerned that will be built into the budget baseline into the future, and we will see our appropriators assume that stimulus money is part of the baseline in spending.

Of course, those appropriations bills don't include this proposed stimulus 2 that we are hearing about: the bailouts of the banks, the insurance companies, and the car companies, or the $2.5 trillion expansion that would occur with a new health care proposal, or entitlement, in this country. So we have seen this dramatic increase in the growth of government and in spending in Washington, most of which is financed with borrowing.

Last year, in fact, 43 cents out of every dollar we spent in the Federal Government was borrowed. We cannot continue to sustain a pattern of borrowing 43 cents out of every dollar we spend. In fact, as American families and households and small businesses are having to tighten their belts, in Washington, DC, the spending continues unabated.

What I am hoping to do with this amendment is to at least demonstrate that, as an institution, the Senate is willing to say we are going to take some steps, no matter how modest they are—and I would say my amendment isn't going to go a long way toward eliminating this Federal debt, but certainly I think it demonstrates to the American people that we get it; we are hearing that they are uncomfortable with the massive amount of borrowing and spending and taxes going on here. Americans are going to pay for this in the form of higher taxes and in the form of higher inflation. As I said, it will be also in the form of higher interest rates on mortgages and small business loans and student loans and those sorts of things. So we have a responsibility to demonstrate to the American people that we are serious about getting our fiscal house in order.

The most recent example, of course, as I mentioned earlier, in this pattern of expansion of the Federal Government is the health care bill, which is in the process right now of discussions, evidently, between the House and Senate and the negotiations that are ongoing. It passed the House and the Senate before the Christmas holiday. I happen to hope that people will come to their senses and defeat this bill and that it would not emerge in the conference committee, and we can start over and do it the right way—in a step-by-step way, not in a way that expands the size of government by $2.5 trillion.

That being said, the $2.5 trillion expansion of the Federal Government includes higher taxes, Medicare cuts, and also at the end of the day, according to the CBO, does very little for most people in this country to actually reduce the cost of their health care insurance.

In fact, what we have seen through studies done by CBO and by the CMS Actuary is that for most Americans, they are going to see, at best, their health insurance premiums stay the same. If they are in the individual market, they will see them go up. So the health care bill is an example of this runaway Federal spending. In fact, in the latter part of that debate, we got a response from the CBO to a question posed by the Senator from Alabama, Mr. SESSIONS, with regard to how the accounting is done in Medicare. One of the arguments we heard throughout the course of the debate was that it would extend the lifespan of Medicare. The question was posed to CBO: What happens with this additional Medicare tax and these Medicare cuts that would be imposed upon providers and senior citizens in this country?

The argument was always made that this will extend the lifespan of Medicare. Our question was, how do you spend money to create this entitlement program and pay for the health care expansion and say you are expanding Medicare? The answer that came back was that under the accounting convention regarding trust funds in a unified budget, in fact, there would be notes put into these trust funds that technically, legally speaking, would extend the lifespan of Medicare. But those dollars are also being spent on the new health care expansion.

From an economic standpoint, the conclusion you draw is that you cannot spend the same money twice. What they said is that you are spending the same money twice. You are double counting this money.

My view is that we have complicated this situation dramatically by this new health care entitlement program. That is why I think it is so important that we reverse course and start over and do this right, in a way that is step by step and gets at the fundamental issue most Americans are concerned about, which is the high cost of health care and providing access to more Americans and a higher quality of care.

I say all that as a background to get into this debate about the debt limit and to say I am very concerned. I also think most Americans are concerned about the amount of spending and borrowing and taxing that is occurring in Washington, DC. My amendment, very simply, says the Troubled Asset Relief Program that was enacted in late 2008—a $700 billion authority for the Treasury to use to help bring stability to the financial services industry in this country—would end. We would basically say that job, that mission, and that purpose has been served, completed. In fact, any unobligated funds should not be spent, and we should not allow TARP to become a sort of revolving loan fund, a political slush fund, to be used for all kinds of purposes. Most of the people who voted for it believed it would be used to bring stability to our financial services industry. We were told at the time that if we didn't do something, we were on the verge of imminent financial collapse, a financial meltdown. So many of us supported that at the time, with the belief that it would in fact be used to acquire the troubled assets that were on the balance sheets of a lot of financial institutions.

What happened is it evolved and morphed into something entirely different. It has been used to take equity positions not only in insurance companies but in auto manufacturers. It was suggested by the Treasury Department, whose interpretation is that they could use this for other purposes. We think the statute is plain about how these funds ought to be used. The Treasury has taken a different interpretation. When they chose to extend this program, it was set to expire at the end of December of last year. The Treasury Department chose to extend it. The assumption most of us made was that they have designs on how to use the funds. If they don't, certainly Members of Congress do.

I don't say that as a partisan statement. I think there are probably people on both sides who would love to know there is a few hundred billion dollars available to go toward some program they think is important. I am not saying anybody's ideas about government programs that might serve a particular constituency's needs are not important. They are important in the minds of individual Senators. But if we are thinking about the overall good of the country, we have to begin thinking about what we are doing.

This authority that was created under TARP—the $700 billion—is, if we don't shut it down, going to be used for all kinds of other ideas and purposes. We saw that most recently with the stimulus 2 bill that is proposed in the House of Representatives. They wanted to use TARP funding as an offset to pay for the new stimulus bill. We have seen proposals to use it for small businesses.

Frankly, I think we need to focus any efforts we make to create jobs in this country on small businesses because, after all, they create two-thirds or three-quarters of the jobs in our economy. Frankly, the TARP program wasn't designed to do that. It had a specific statutory purpose. That purpose is now being adulterated. It is used in all these different ways.

I happen to believe—and I hope a majority of my colleagues will as well—we should vote to end this program and not allow it to be used and misused and abused in a way that creates greater liabilities for the American taxpayers, creates more debt and borrowing because, after all, that is what it is.

The TARP authority is debt. When we talk about spending TARP money, it is not as if there is a big bank of money out there. What it means is that when TARP authority is used, we go out and borrow the money. Basically, we add to the Federal debt that we continue to pile up.

So the ENDTARP program—there is an acronym for everything around here—the ENDTARP program, Erasing Our National Debt Through Accountability and Responsibility Plan, or ENDTARP, is what my amendment embodies. Basically, we believe we ought to, as a body, as an expression of our willingness to, again, demonstrate to the American people we can get our fiscal house in order, vote to end this program.

I would like to illustrate, if I may, what I am talking about in graphic terms. This is a pie chart that shows the whole $700 billion that was authorized under TARP. The blue represents that the $545 billion—the latest information we have—has been spent or at least committed. That was as of January 6, 2010. What this side, the red, represents is the unobligated funds. The unobligated funds is a combination of both the authority that was not used, and that was about $155 billion, and payments that have been made back into the fund. That is about $165 billion. So we have about $319 billion—$320 billion in round numbers—of unobligated authority in TARP. What my amendment simply would say is, this amount of money cannot be spent. We would end TARP, and instead of allowing the program to continue through October of this year, at which point, incidentally, they don't have to shut down the spending—the spending can continue to go on. The program, in effect, would shut down in October of this year. But we believe that this unobligated money in here, that we ought to not spend it. When we do not spend it, it is money we do not have to borrow, and that reduces the overall amount of the Federal debt and the amount of debt we are passing on to future generations.

Again, this is a way of illustrating what we are talking about, what the amendment would do. The blue represents the amount that has been committed or spent as of January 6. The other side, the red, represents the amount that has not been used, authorized but not spent, and has been paid back—in other words, unobligated balances in the TARP fund of about $320 billion.

It is a fairly straightforward amendment. I hope a majority of my colleagues in the Senate will vote with me to say to the American people that we hear you; we do not believe using this program in a way that was not intended, that further aggravates a very serious fiscal situation for this country, ought to be allowed to continue.

I think the American people have made it clear that they are tired of the bailouts. There was a Wall Street Journal/NBC poll indicating that 53 percent of Americans are unhappy with the government's current role in the private sector. In fact, 65 percent of Americans are opposed to government intervention by taking a majority stake in General Motors.

Again, despite the original projections when TARP was signed into law that we were going to be made whole and this was actually going to generate additional revenue for the American taxpayers, I think we now know the estimates that are coming forward suggest we are going to lose money. The amount of money that was authorized for this program, we are not going to get it all back, but the one thing we can do right now is to cut our losses by making sure that these unobligated funds do not get spent, that they do not go onto the Federal debt, and that they do not go onto additional borrowing. When we are borrowing 43 cents out of every dollar spent in Washington, DC, we need to exercise some fiscal discipline.

I hope my colleagues will vote to support this amendment. My understanding is there will be a vote sometime tomorrow on this amendment. I hope to have another opportunity to speak to it tomorrow morning. I wanted to lay the amendment down, make my colleagues aware of it, and encourage them to support it.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, frankly, I think the fundamental question facing us is, Are we going to pay our bills? That is the question before us today.

On the amendment offered by the Senator from South Dakota, I suspect the chairman of the Banking Committee, Senator DODD, will have something to say about that when we come back into session tomorrow. But the fundamental question we are facing with the debt limit extension resolution is, Are we going to pay our bills? We have incurred obligations. We have, as a country. Are we going to pay them? Are we going to pay our bills? That is the basic question. Are we going to live up to our commitment to pay our bills?

The discussion here quite correctly is somewhat—not correctly. The subject has moved over to, well, gee, aren't our deficits too high? Haven't we been spending too much compared with the revenue we are taking in? Yes. There is no one here who would argue the point that our deficits are too high. That is right. They are what they are partly because of the recession we are in, the subprime mortgage crisis that somewhat prompted all the problems we face as a country, a lot of loose lending by lots of institutions, packaging of obligations, of loans, and securitizing those loans, all the fees earned by banks and so forth. Pretty soon, all the mortgages became if not worthless, at least not worth very much at all. Our country consequently faced a recession by and large because of a lot of loose financial thinking in the last couple of years, beginning with the subprime mortgage crisis. We are where we are. We are trying to work ourselves out of the recession. But the basic question is, Are we going to pay the debts we obligated? Are we going to live up to our commitments?

The Senator from New Hampshire, the ranking member of the Budget Committee, quite correctly talked about our deficits being too high. He raised the prospect of, gee, maybe fairly soon various countries are going to charge us more on the debt we are borrowing, may want to charge a premium because they wonder if they can trust the obligation of the United States to pay its debts. I don't know whether that is true. I don't know when that may or may not be true. That is a very speculative question. We just do not know. A lot of people have very formed opinions on that point. But I do know something that is absolutely true, over which there is no debate; that is, if we default on our debts, then we are going to find the economy is going to collapse. I do know that as a fact. Every Member of this body knows that to be a fact. We must extend the debt limit so we can pay our debts. That is pretty simple. In the meantime, as a Congress, clearly we have to work to get these deficits under control. We have to do both, frankly. We have to extend the debt limit so we can pay our debts. If we do not raise it, we cannot pay our debts. So we have to raise it. In addition, we have to work at getting these deficits under control. There is no doubt about that.

Frankly, one good way to get deficits under control is to pass health care reform. The Congressional Budget Office, which we all think is doing a pretty good job even though they frustrate us a lot—by and large we agree with their conclusions—the Congressional Budget Office has said the health care bill that passed the Senate would reduce the deficits by $132 billion over the first 10 years. That is a reduction in deficits. That is going to help reduce the deficits. So all this talk—it is very proper talk—about the size of our deficits will be slightly less urgent once we start reducing the budget deficit. I am not one to stand up here and say health care reform is the total solution. I am only saying it reduces the budget deficit, according to the Congressional Budget Office, by $132 billion over the first 10 years. They go even further and say that the next 10 years the health care reform bill that passed the Senate will reduce the Federal deficit by between $650 billion and $1.3 trillion—reduce the Federal deficit by between $650 billion and $1.3 trillion. Now we are talking real money. Now we are talking about a more-than-significant reduction in the deficit.

I heard some numbers flying around here several minutes ago about it costs $2 trillion and this and that. That is not true. That is not what the Congressional Budget Office says. The Congressional Budget Office says, as I mentioned, a $132 billion reduction in the deficits in the first 10 years and between $650 billion and $1.3 trillion in deficit reduction in the second 10 years. That is what CBO says. I don't know where the Senator gets his numbers, but he did not get them from CBO. CBO's conclusions are as I have stated.

I urge us, frankly, to keep our heads screwed on straight and our feet on the ground. Let's decide what we have to do, and that is we have to pay our national debt and then go on and find ways to reduce the budget deficits. I think all of us can agree that is something we have to do.

To default on our national debt is certainly no way to run a government. We are supposed to be responsible people around here. Clearly, it would be irresponsible for us to not act in a way that prevents a default on our obligations.

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

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

Mr. BAUCUS. Mr. President, I am going to speak a little bit about the amendment offered by the Senator from North Dakota, Mr. CONRAD, cosponsored by the Senator from New Hampshire, Mr. GREGG. It has not been offered yet. I am not totally certain it will be offered. I think it will be offered. I am going to speak on the amendment now, but if we are ready to enter a unanimous consent agreement as to the proceedings of the Senate tonight and tomorrow, I will stop my presentation so we can enter that order.

As I said, under the previous order, the amendment by the Senator from North Dakota, Mr. CONRAD, and the Senator from New Hampshire, Mr. GREGG, proposing a fiscal task force is in order to the pending measure.

Yesterday evening, the Vice President met with a number of interested parties, including our colleague, the Senate majority leader, the Speaker, the Senator from North Dakota, and others. I was at that meeting. Yesterday evening, that group discussed a fiscal commission to be created by an Executive order. I want to distinguish that effort, that is, that effort for the President to create a commission by an Executive order, from the amendment the Senators from North Dakota and New Hampshire propose on the bill.

I support the President's efforts to create a commission by Executive order, and I oppose the amendment to be proposed by the Senators from North Dakota and New Hampshire. The difference is that the Executive order would preserve the Senate's regular order. The amendment, on the other hand, would create a fast-track procedure to short-circuit the Senate's regular order.

Let me take this opportunity to share with my colleagues what a number of respected groups have been saying about the Conrad-Gregg amendment.

On January 14, the chief executive officer of AARP wrote to Senators about the Conrad-Gregg commission. As my colleagues know, AARP is the nonpartisan membership organization that represents 40 million people age 50 and older. AARP is the Nation's largest membership organization for people 50 and over and has offices in all 50 States. Listen to what AARP says:

> We urge you to vote against an amendment to be offered by Senators Conrad and Gregg to establish a fiscal task force and to instead focus on addressing the challenges of the nation's long-term debt through regular order . . .

AARP goes on:

> We oppose providing fast-track authority to a task force that will function with limited accountability outside the regular order of Congress, and with an exclusive focus on debt reduction. . . .

Quoting further, AARP says:

> AARP believes the issues that the fiscal task force is meant to address—including the revenue gap, health care costs and the long-term solvency of Social Security—are among the most fundamental challenges we face as a nation. As such, they are issues Congress itself, through its regular order, should tackle.

AARP recognizes that doing things the normal way is not always easy. Quoting again, AARP says:

> We recognize that these issues test regular order, as has been demonstrated by the long and difficult debate surrounding health care reform. Simply because these issues are difficult to address is not reason enough to abdicate the responsibility Congress has to act. However, an open debate is essential in a representative democracy to resolve issues that have as broad and deep an impact on its citizenry as changes to Medicare, Medicaid, Social Security and the tax system.

AARP focuses on the human costs. Quoting further, AARP says:

> . . . a task force that is directed to identify proposals to restore the nation's long-term balance sheet cannot do so without regard to the impact its recommendations would have on individuals. Broad, deep cuts to the nation's health and economic security pillars—Medicare, Medicaid, and Social Security—could reduce long-term debt, but would do so by shifting significant burdens and risks to older Americans and millions of others who rely on these benefits.

AARP recommends in particular that Social Security be excluded from the commission's deliberations. AARP says:

> We urge that Social Security not be considered in the context of debt reduction; this program does not contribute to the annual deficit, and its long-term solvency can be resolved by relatively modest adjustments if they are made sooner rather than later.

That is true. It is very true. Social Security does not contribute to the annual deficit. It does not. And if one looks at the long-term prospect of Social Security, it is in healthy shape for 25, 50 years. It does not add in any way significantly to the national debt.

Here is how AARP concludes its letter. AARP says:

> Given the significance of Social Security and Medicare to the well-being of nearly all Americans, AARP believes a full and open debate is essential to ensuring the development of balanced solutions. As such, we oppose any legislative proposals that bypass or short circuit the protections afforded by regular order . . . to reach debt reduction goals.

That is what AARP writes, and I ask unanimous consent to have printed in the RECORD the full text of AARP's letter to Senators.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AARP,
Washington, DC, January 13, 2010.

DEAR SENATOR: On behalf of our nearly 40 million members, AARP writes to express opposition to three budget amendments you will be considering on January 20, 2010. We urge you to vote against an amendment to be offered by Senators Conrad and Gregg to establish a fiscal taskforce, and to instead focus on addressing the challenges of the nation's long-term debt through regular order. We also urge you to vote against an amendment to be offered by Senator Reid to establish statutory paygo, and by Senator Sessions to establish multi-year caps on discretionary spending.

FISCAL TASKFORCE

AARP agrees that the nation's long-term debt requires urgent action. We are committed to supporting balanced policies that address the nation's long term fiscal challenges while also honoring the contributions of our members and the needs of millions of other Americans who rely on Medicare, Medicaid and Social Security. However the current fiscal crisis is far broader than these lifeline programs. We oppose providing fast-track authority to a task force that will function with limited accountability outside of the regular order of Congress, and with an exclusive focus on debt reduction. We further oppose the establishment of such a task force in light of the targeted Medicare savings and proposed Medicare Payment Board (that would have further authority to reduce Medicare spending) in the pending Senate health care reform legislation.

AARP believes the issues that the fiscal task force is meant to address—including the revenue gap, health care costs and the long-term solvency of Social Security—are among the most fundamental challenges we face as a nation. As such, they are issues that Congress itself, through its regular order, should tackle. We recognize that these issues test regular order, as has been demonstrated by the long and difficult debate surrounding health care reform. Simply because these issues are difficult to address is not reason enough to abdicate the responsibility Congress has to act. However, an open debate is essential in a representative democracy to resolve issues that have as broad and deep an impact on its citizenry as changes to Medicare, Medicaid, Social Security and the tax system.

Moreover, a task force that is directed to identify proposals to restore the nation's long-term balance sheet cannot do so without regard to the impact its recommendations would have on individuals. Broad, deep cuts to the nation's health and economic security pillars—Medicare, Medicaid and Social Security—could reduce long-term debt, but would do so by shifting significant burdens and risks to older Americans and millions of others who rely on these benefits. If a task force is formed to address long-term deficits, it should focus on systemic solutions that balance the twin goals of managing our national debt and ensuring the long-term health and economic security of Americans—not simply on authorizing budget cuts to eliminate the fiscal gap. Furthermore, we urge that Social Security not be considered in the context of debt reduction; this program does not contribute to the annual deficit, and its long-term solvency can be resolved by relatively modest adjustments if they are made sooner rather than later.

In addition, any meaningful examination of the nation's long-term fiscal challenges should include a serious assessment of both traditional revenue sources and tax entitlements. The tax code contains a multitude of tax preferences that automatically convey benefits, similar to spending entitlements, and entail significant amounts of foregone revenue. However, unlike Social Security and Medicare, which distribute their earned benefits broadly, tax entitlements are highly skewed to the most affluent. Moreover, the federal tax base has eroded over the past several years. For these reasons, it is both reasonable and fair to expect that a fiscal task force prioritize an examination of revenue policies, and develop recommendations regarding revenues as a key premise of an overall strategy to address long-term deficits.

STATUTORY PAYGO AND MULTI-YEAR DISCRETIONARY CAPS

AARP is very troubled that Medicare is virtually singled out for arbitrary and automatic cuts should sequestration result from the establishment of statutory paygo. While we agree that some spending should be protected from sequestration, such as Social Security, very few mandatory programs are subject to automatic cuts under statutory paygo. Further, no automatic increase in revenues is required by sequestration, even though the possibility of such a result would undoubtedly prompt even stricter adherence to paygo. These limitations on sequestration leave Medicare especially vulnerable to arbitrary and automatic cuts that are unrelated to making the program more efficient or effective. This approach is especially unacceptable in light of the significant Medicare savings contained in the House and Senate health reform bills, and the proposed Medicare Payment Board in the Senate bill. Consequently, we oppose statutory paygo as a process that threatens to arbitrarily cut Medicare and the health security it promises for older Americans.

Finally, AARP is opposed to a multi-year cap on discretionary spending. Capping spending on less than a third of the federal budget will not result in any significant deficit reduction and would have a substantial negative impact on the federal governments ability to deliver the services our members expect. Congress routinely evaded the 1990 Budget Enforcement Act spending caps by ignoring them in session-ending budget deals, and averted cuts by simply adopting language each year wiping the paygo scorecard clean. Discretionary caps would pit programs that serve the elderly, the disabled and children against defense and homeland security programs. Moreover, given the ongoing military actions in Iraq and Afghanistan, discretionary spending limits would ultimately require steep cuts to non-defense discretionary programs—the vast majority of which have been funded well below current services levels for the past eight years.

AARP is committed to working on a bipartisan basis with Congress to develop and advance responsible policies to address the nation's long term fiscal challenges. However, given the significance of Social Security and Medicare to the well-being of nearly all Americans, AARP believes a full and open debate is essential to ensuring the development of balanced solutions. As such, we oppose any legislative proposals that bypass or short circuit the protections afforded by regular order, or that rely on imbalanced, automatic, and arbitrary spending cuts to reach debt reduction goals.

If you have any further questions, feel free to call me, or please have your staff contact David Sloane, Senior Vice President of Government Relations and Advocacy, 202–434–3754.

Sincerely,

ADDISON BARRY RAND,
Chief Executive Officer.

Mr. BAUCUS. Mr. President, AARP is by no means alone in taking these positions. On January 7, Barbara Kennelly, our former congressional colleague and now president and CEO of the National Committee to Preserve Social Security and Medicare, wrote to White House Chief of Staff Rahm Emanuel. The National Committee to Preserve Social Security and Medicare is a nonpartisan, nonprofit organization representing millions of members and supporters nationwide. For more than 26 years, the organization has fought for the interests of older Americans.

Here is what the National Committee to Preserve Social Security and Medicare says:

The National Committee strongly opposes the fiscal commission legislation authored by Senators Conrad and Gregg.

The national committee also focused on Social Security, arguing that it is inappropriate for such a commission, and they wrote:

Incorporating Social Security into such a commission would signal to America's seniors that the President is willing, and even eager, to cut Social Security benefits. Ultimately, older Americans will accept changes in Social Security only if they have a voice in the decision and feel confident that changes are solely for the purpose of improving and strengthening the program. For this reason, Social Security solvency should not be taken up in the context of a fiscal commission.

Turning to the specifics of the Conrad-Gregg commission, the national committee wrote:

The legislation would effectively remove nearly every government program, including the Federal tax system, from the legislative jurisdiction of Congress. By fast-tracking the commission's recommendations through Congress with no allowance for amendments, the Conrad-Gregg measure would prevent Congress from exercising its legislative responsibilities with respect to Social Security. Enacting legislation that would push through changes of this importance to millions of Americans, especially seniors, without the opportunity for members of an elected Congress to amend them, ultimately disenfranchises the public and undermines the legitimacy of the political process.

Later in the letter, the national committee wrote:

The National Committee strongly believes that decisions relating to complex or essential programs such as Social Security, Medicare, Medicaid and taxes should be made through the regular legislative committee process. Such a process allows each program to be considered separately by substantive experts based on program solvency and policy goals.

That is what the National Committee to Preserve Social Security and Medicare writes, and I ask unanimous consent to have printed in the RECORD the full text of the letter from the National Committee to Preserve Social Security and Medicare.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE,
January 7, 2010, Washington, DC.

Hon. RAHM EMANUEL,
White House Chief of Staff,
Washington, DC.

The National Committee to Preserve Social Security and Medicare is deeply concerned about the push to create a fiscal commission designed to reduce the -federal debt. Incorporating Social Security into such a commission would signal to America's seniors that the President is willing, and even eager, to cut Social Security benefits. Ultimately, older Americans will accept changes in Social Security only if they have a voice in the decision and feel confident that changes are solely for the purpose of improving and strengthening the program. For this reason, Social Security solvency should not be taken up in the context of a fiscal commission.

The National Committee strongly opposes the fiscal commission legislation authored by Senators Conrad and Gregg. The legislation would effectively remove nearly every government program, including the federal tax system, from the legislative jurisdiction of the Congress. By fast-tracking the commission's recommendations through Congress with no allowance for amendments, the Conrad-Gregg measure would prevent Congress from exercising its legislative responsibilities with respect to Social Security. Enacting legislation that would push through changes of this importance to millions of Americans, especially seniors, without the opportunity for members of an elected Congress to amend them, ultimately disenfranchises the public and undermines the legitimacy of the political process.

The President has made clear his strong interest in pressing for fiscal responsibility measures. He has studied the Conrad-Gregg proposal and listened to the views of Senator Conrad and others on the subject. He has also contemplated creating his own commission through executive order. The National Committee believes that the advantage of an executive process is that it does not allow for a fast-track mechanism. However, we are concerned about an executive order for some of the same reasons we are concerned about the fast-track process.

The National Committee strongly believes that decisions relating to complex or essential programs such as Social Security, Medicare, Medicaid and taxes should be made through the regular legislative committee process. Such a process allows each program to be considered separately by substantive experts based on program solvency and policy goals. Moreover, we are concerned that an executive order which permits Social Security to be taken up in the context of fiscal or budgetary decisions will ignore the needs of Social Security and the well-being of its beneficiaries.

Seniors already believe that Social Security is being used by the government as a piggy bank. Now they fear that the President and the Congress are ready to use a fiscal commission to cut Social Security benefits, making seniors pay the price for the excesses of Wall Street. Those fears will only be unfounded if Social Security is strengthened and made solvent on its own merits and by people who recognize the importance of Social Security and the many protections it provides.

Cordially,

BARBARA B. KENNELLY,
President and CEO.

Mr. BAUCUS. Mr. President, as well, on January 13, the president, secretary-treasurer, and executive director of the Alliance for Retired Americans sent a letter to all Senators on the Conrad-Gregg commission. The Alliance for Retired Americans is a nonpartisan, nonprofit organization representing retired union members. They wrote:

The Alliance for Retired Americans, on behalf of its nearly four million members throughout the nation, writes in opposition to the Bipartisan Task Force for Responsible Fiscal Action Act of 2009, S. 2853. We oppose attempts to attach it to debt ceiling or any other legislation. We cannot support the bill's fast-track means of implementing vast changes to programs such as Social Security, Medicare and Medicaid outside the regular legislative process.

The alliance talked about how the process would work, and they wrote:

Under the legislation, the jurisdiction for major long-term changes to programs including Social Security, Medicare, and Medicaid would be turned over to an 18-member task force, made up of 16 members of Congress and 2 administration officials.

Then the alliance wrote about what is wrong with the process, and here is what they wrote:

Regardless of the expertise of task force members, their representations would be crafted behind closed doors and subject to a fast-track up-or-down vote by Congress. Forcing changes to these critical benefit programs by eliminating open debate or amendments is an undemocratic way to address the future of such programs.

The alliance contrasted the new task force process with the existing committee process, and here is what they wrote:

Currently, congressional committees of jurisdiction consider changes and improvements to these vital programs with the opportunity for due consideration and debate. These committees, with their broad-based and detailed knowledge of the programs under their jurisdiction, are the proper forums for considering any changes to Social Security, Medicare and Medicaid.

The alliance concluded:

We strongly caution against a process that would bypass the regular legislative process in favor of an expedited, fast-track process that leaves room for little accountability and almost no room for input from the American people.

That is what the Alliance for Retired Americans writes, and I ask unanimous consent to have printed in the RECORD the full text of the letter from the Alliance for Retired Americans.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ALLIANCE FOR RETIRED AMERICANS,
Washington, DC, January 13, 2010.

DEAR SENATOR: The Alliance for Retired Americans, on behalf of its nearly four million members throughout the nation, writes in opposition to the Bipartisan Task Force for Responsible Fiscal Action Act of 2009, S. 2853. We oppose attempts to attach it to debt ceiling or any other legislation. We cannot support the bill's fast-track means of implementing vast changes to programs such as Social Security, Medicare and Medicaid outside the regular legislative process.

Under the legislation, jurisdiction for major and long-term changes to programs including Social Security, Medicare, and Medicaid would be turned over to a 18–member task force, made up of 16 members of Congress and 2 administration officials. Regardless of the expertise of task force members, their recommendations would be crafted behind closed doors and subject to a fast-track up or down vote by Congress. Forcing changes to these critical benefit programs by eliminating open debate or amendments is an undemocratic way to address the future of such programs.

Since their creation, Social Security, Medicare and Medicaid have worked well to keep millions of America's seniors healthy and out of poverty. Social Security has been the bedrock of income security for nearly all Americans, providing guaranteed benefits to retirees, those with disabilities, and the survivors of retired and deceased workers. Likewise, Medicare and Medicaid has helped our nation deliver the promise of well-being and improved quality of life for retirees.

Currently, congressional committees of jurisdiction consider changes and improvements to these vital programs with the opportunity for due consideration and debate. These committees, with their broad-based and detailed knowledge of the programs under their jurisdiction, are the proper forums for considering any changes to Social Security, Medicare and Medicaid. We strongly caution against a process that would bypass the regular legislative process in favor of an expedited, fast-track process that leaves room for little accountability and almost no room for input from the American people.

The Alliance for Retired Americans is committed to enacting legislation that improves the quality of life for retirees and all Americans. If we can be of assistance, please contact Richard Fiesta or Sarah Byrne in the Department of Government and Political Affairs at the Alliance.

Sincerely yours,

BARBARA J. EASTERLING,
President.
RUBEN BURKS,
Secretary-Treasurer.
EDWARD F. COYLE,
Executive Director.

Mr. BAUCUS. What is more, on January 12, a broad consortium of organizations—56 in number—wrote to all Senators to express their concerns with the Conrad-Gregg commission. Among the organizations signing this letter were the AFL–CIO, AFSCME, Change to Win, the Campaign for America's Future, Common Cause, moveon.org Political Action, NAACP, the National Organization for Women, People for the American Way, the SCIU, and many others. This broad consortium of organizations wrote:

We write with strong opposition to the proposal of Senators Kent Conrad, Judd Gregg and others to create a deficit-reduction commission to override the normal legislative process and replace it with expedited procedures prohibiting amendments and limiting debate. If the Conrad-Gregg proposal were to become law, it could dramatically change by stealth critical benefits and services so vital to America's families.

The consortium of groups continued about the need for responsibility by writing:

Americans—seniors, women, working families, people with disabilities, youth, young adults, children, people of color, veterans, communities of faith and others—expect their elected representatives to be responsible and accountable for shaping such a significant, far-reaching legislation.

The consortium of groups continued about the problems with the commission, and here is what they said:

The American people are likely to view any kind of expedited procedure, where most members are sidelined to a single take-it-or-leave-it vote, as a hidden process aimed at eviscerating vital programs and productive investment.

The consortium of groups once again focused on problems with allowing the budget commission to change Social Security. They wrote:

An American public that only recently rejected privatization of Social Security would undoubtedly be suspicious of a process that shuts them out of all decisions regarding the future of a retirement system that's served them well in the current financial crisis.

The consortium of groups concluded:

We urge you to act decisively to prevent the creation of such an extraordinary and undemocratic budget commission.

That is what this consortium of groups, from Common Cause, to NOW, to People for the American Way, writes, and I ask unanimous consent to have printed in the RECORD the full text of their letter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICA DOES NOT NEED AN UNDEMOCRATIC ''DEFICIT COMMISSION''

The following statement, signed by more than 40 national organizations (see below) was written and distributed by Roger Hickey (202 955–5665), co-director, Campaign for America's Future, and Nancy Altman (301 229–2651) and Eric Kingson, (315 374–8338), co-directors, Project to Defend and Improve Social Security.

This statement has been sent to Senate Majority Leader Harry Reid, House Speaker Nancy Pelosi, all members of the Senate and House, and President Barack Obama (and key administration officials).

We write with strong opposition to the proposal of Senators Kent Conrad, Judd Gregg and others to create a deficit-reduction commission that would override the normal legislative process and replace it with expedited procedures prohibiting amendments and limiting debate. We write with an increasing sense of urgency, because plans to vote on the Conrad-Gregg proposal on January 20th or soon thereafter, as part of the debt ceiling bill. If the Conrad-Gregg proposal were to become law, it could dramatically change by stealth critical benefits and services so vital to America's families.

Those supporting this circumvention of the normal process have stated openly the desire to avoid political accountability. Americans—seniors, women, working families, people with disabilities, youth, young adults, children, people of color, veterans, communities of faith and others—expect their elected representatives to be responsible and accountable for shaping such significant, far-reaching legislation.

Any deficit reduction measures should be carried out in a responsible manner, providing a fairer tax system and strengthening—rather than slashing—Social Security and Medicare. We should be strengthening, not slashing, vital programs like Medicaid, Unemployment Compensation, the Supplemental Nutrition Assistance Program (food stamps), EITC, Supplemental Security Income, school meals, Early Head Start, Head Start, Child Care Development Fund, Chafee Foster Care Independence Program, National Family Caregivers Support Program, Individual Disability Education Act, vocational rehabilitation and other programs and services crucial to struggling lower income and middle-income people in every corner of our country.

And as unemployment continues to grow, we need a real debate about how to balance the need for economic recovery and productive public investment with the goal of long-term budget responsibility. The American people are likely to view any kind of expedited procedure, where most members are sidelined to a single take-it-or-leave-it vote, as a hidden process aimed at eviscerating vital programs and productive investment.

As you know, the current effort to reform the health-care sector seeks to achieve reductions in Medicare spending, without cutting benefits. But the proposed budget commission which will be viewed as a way to actually cut Medicare benefits, while insulating lawmakers from political fallout could confuse people and undermine the reform effort. And an American public that only recently rejected privatization of Social Security will undoubtedly be suspicious of a process that shuts them out of all decisions regarding the future of a retirement system that's served them well in the current financial crisis.

We urge you to act decisively to prevent the creation of such an extraordinary and undemocratic budget commission.

GROUPS THAT HAVE ALREADY AGREED TO SIGN (AS OF JANUARY 12, 2010)

AFL–CIO—American Federation of Labor-Congress of Industrial Organizations; AFSCME—American Federation of State, County and Municipal Employees; Alliance for Retired Americans; American Society on Aging; American Association of People with Disabilities; American Association of University Women; Americans for Democratic Action; Change to Win; Campaign for America's Future; and Center for Medicare Advocacy.

Common Cause; Demos; Disability Rights Education and Defense Fund; Food Research and Action Center; Frances Perkins Center; Generations United; Global Policy Solutions; Health & Medicine Policy Research Group; International Union, United Automobile, Aerospace & Agricultural; and LGBT Caucus of the American Academy of Physician Assistants, Inc.

MoveOn.org Political Action; NAACP; National Asian Pacific Center on Aging; National Association for Hispanic Elderly; National Association of Area Agencies on Aging; National Association of Mother Centers and Its MOTHERS Initiative; National Caucus and Center on Black Aged, Inc.; National Committee to Preserve Social Security and Medicare; and National Council of Women's Organizations.

National Indian Council on Aging; National Organization for Women; National Hispanic Council on Aging; National Senior Citizens Law Center; National Women's Law Center; OWL—The Voice of Midlife and Older Women; OpenLeft.com; and Pathways PA.

Pension Rights Center; People for the American Way; Progressive Democrats of America; Project to Defend and Improve Social Security; SEIU—Service Employees International Union; United Methodist General Board of Church & Society; USAction; Voices for America's Children; Wider Opportunities for Women; Women's Institute for a Secure Retirement; and the Women's Research and Education Institute.

STATE AND LOCAL ORGANIZATIONS

AFGE Council 220; AFGE Local 3937, AFL–CIO; California Alliance for Retired Americans; Coalition of Wisconsin Aging Groups; DelcoAction Seniors; New York Statewide Senior Action Council; Pennsylvania Alliance for Retired Americans; and Puget Sound Alliance for Retired Americans.

Mr. BAUCUS. It is not just progressive groups that oppose the Conrad-Gregg amendment. On January 15, a broad consortium of conservative groups sent what they called ''An Open Letter to U.S. Senators Urging Opposition to the Conrad-Gregg Bipartisan Tax/Spending 'Reform' Commission.'' This conservative consortium said:

On behalf of the millions of taxpayers, small businesses, families, senior citizens and shareholders represented by our respective organizations, we urge you in the strongest terms to oppose and vote against the ''Bipartisan Task Force for Responsible Fiscal Action Act of 2009,'' sponsored by Senators Kent Conrad and Judd Gregg, be it in stand-alone form or as an amendment.

These conservative groups explained their motivation. In their view, they said:

As written, the Conrad-Gregg proposal would lead to a guaranteed tax increase.

These conservative groups concluded as follows:

We urge you to oppose and vote against the misguided plan when it comes before you.

Among the signatories of this letter are the American Conservative Union, Americans for Tax Reform, the American Shareholders Association, the Competitive Enterprise Institute, Council for Citizens Against Government Waste, and the National Taxpayers Union.

Mr. President, I ask unanimous consent to have printed in the RECORD the full text of the consortium letter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 15, 2010.

AN OPEN LETTER TO U.S. SENATORS URGING OPPOSITION TO THE CONRAD-GREGG BIPARTISAN TAX/SPENDING ''REFORM'' COMMISSION

DEAR U.S. SENATOR: On behalf of the millions of taxpayers, small businesses, families, senior citizens and shareholders represented by our respective organizations, we urge you in the strongest terms to oppose and vote against the ''Bipartisan Task Force for Responsible Fiscal Action Act of 2009,'' sponsored by Sens. Kent Conrad (D–ND) and Judd Gregg (R–NH), be it in stand-alone form or as an amendment.

As written, the Conrad/Gregg proposal would lead to a guaranteed tax increase.

The plan put forth by Sens. Conrad and Gregg establishes an eighteen-member task force comprised of ten Democrat and eight Republican Congressmen, Senators, and Administration officials. A report from the commission would need to gather fourteen votes in order to make an expedited recommendation to both bodies. The recommendation would only pass with a supermajority vote in each chamber.

Despite the appearance of protection for taxpayers, this commission would guarantee a net tax increase be in its proposal. Every Democrat on the commission would insist on tax increases to ''balance'' spending cuts in the recommendation.

There is no conceivable scenario whereby the commission would issue a report that does not contain tax hikes, and history underscores the dangers of such a bipartisan deal that puts everything on the table:

In the 1990 Andrews Air Force Base debacle, Congressional Democrats convinced a number of Republicans to join them in a bipartisan deal promising $2 in spending cuts for every $1 in tax increases. Every penny of the tax increases ($137 billion from 1991–1995) went through. Not only did the Democrats break their promise to cut spending below the CBO baseline—they actually spent $23 billion above CBO's pre-budget deal spending baseline.

In order to make such a commission acceptable from a taxpayer perspective, language must be included that explicitly removes tax increases and/or new taxes from commission consideration.

However, the proposal in its current form will likely come before you later this month as am amendment to yet another bill to increase the debt limit, as Democrats will be looking to use this commission idea as a way to cover their big-spending tracks.

This bipartisan commission is a veiled attempt to lure Republicans into taking joint ownership of massive tax increases to pay for their crisis and is arguably one of the biggest threats to taxpayers. What's worse, it could become the Trojan horse for a European-style Value-Added Tax (VAT).

We urge you to oppose and vote against this misguided plan when it comes before you.

Sincerely,

Jim Martin, chairman, 60 Plus Association; Stephen P. Gordon, media director, Alabama Republican Liberty Caucus; Brian Johnson, executive director, Alliance for Worker Freedom; Susan A. Carleson,* chairman and CEO, American Civil Rights Union; David A. Keene, chairman, American Conservative Union; Grover Norquist, president, Americans for Tax Reform; Tim Phillips, president, Americans for Prosperity; Ryan Ellis, executive director, American Shareholders Association; John Tate, president, Campaign for Liberty; Sandra Fabry, executive director, Center for Fiscal Accountability; Timothy Lee, vice-president of legal and public affairs, Center for Individual Freedom; Chuck Muth, president, Citizen Outreach; Barbara Anderson, executive director, Citizens for Limited Taxation (MA); Wayne Crews, vice president for policy, Competitive Enterprise Institute; Tom Schatz, president, Council for Citizens Against Government Waste; Rick Watson, chairman, Florida Center-Right Coalition; Jamie Story, president, Grassroot Institute of Hawaii; Gregory Blankenship, president, Illinois Alliance for Growth.

Andrew Langer, president, Institute for Liberty; Robert McClure, president and CEO, James Madison Institute; Rep. James DeCesare, chairman, Kentucky Taxpayer Protection Caucus, House of Representatives; Colin Hanna, president, Let Freedom Ring; Del. Warren Miller, chairman, Maryland Taxpayer Protection Caucus, House of Delegates; Shane Osborn, Nebraska State Treasurer; Andrew Moylan, director of government affairs, National Taxpayers Union; Jerry Cantrell, president, New Jersey Taxpayers' Association; Deborah Owens, co-chair, Ohio Center-Right Coalition; Brandon Dutcher, vice president for policy, Oklahoma Council of Public Affairs, Inc.; Kim Thatcher, chairman, Oregon Taxpayer Protection Caucus, House of Representatives; Todd Kruse, Property Rights Association of Minnesota; Jason Williams, executive director, Taxpayer Association of Oregon; William Greene, president, RightMarch.com; Ben Cunningham, spokesman, Tennessee Tax Revolt; Laura Lee Adams, chairman, Utah Center-Right Coalition; Susan Gore, founder, Wyoming Liberty Group.

Mr. BAUCUS. Also on the conservative side, on December 29, 2009, the Wall Street Journal editorial page—no friend of progressive causes—published an editorial entitled ''The Deficit Commission Trap.'' The editors of the Wall Street Journal wrote:

We only hope Republicans aren't foolish enough to fall down this trap door.

I conclude by saying that people on both sides of the political spectrum have very grave reservations and urge opposition to the amendment to be offered by our good friends and colleagues, Senators CONRAD and GREGG, and I hope we do not adopt that amendment.

Mr. President, I yield the floor, and 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. BAUCUS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

MORNING BUSINESS

Mr. BAUCUS. Mr. President, I ask unanimous consent the Senate proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

VOTE EXPLANATION

• Mr. UDALL of Colorado. Mr. President, due to the fact that I was ill and concerned for others traveling on the same airplane to Washington, DC, I was unable to cast a vote for rollcall No. 1 in the second session of the 111th Congress, the nomination of Beverly Baldwin Martin, of Georgia, to be a U.S. Circuit Judge for the 111th Circuit. Had I been present, I would have voted ''yea'' to confirm the nominee.•

HONORING OUR ARMED FORCES

PRIVATE FIRST CLASS BRIAN R. BOWMAN

Mr. BAYH. Mr. President, I rise with a heavy heart to honor the life of PFC Brian R. Bowman from Waveland, IN. Brian was 24 years old when he lost his life on January 3 when insurgents attacked his unit in Ashoque, Afghanistan. Brian was serving as a medic in the 1st Battalion, 12th Infantry Regiment, 4th Brigade Combat Team, 4th Infantry Division at Fort Carson, Colorado, as a part of Operation Enduring Freedom.

Today, I join Brian's family and friends in mourning his death. Brian will forever be remembered as a loving son and friend to many. Brian is survived by his devoted wife Casie, his father Robert Bowman and mother Paula J. Gerdes, two sisters and countless friends and relatives.

Brian was a Crawfordsville native who grew up in Waveland. Prior to entering the service in August of 2006, Brian graduated from Southmont High School in 2004. A gifted musician, he played the baritone for the Royal Mounties who were perennial contenders in the Indiana State Fair's band competition. His father said that he gave up sports to be in the band because he loved music.

While we struggle to express our sorrow over this loss, we can take pride in the example Brian set as a soldier, a husband, a son and a brother. Today and always he will be remembered by family, friends and fellow Hoosiers as a true American hero, and we cherish the legacy of his service and his life.

As I search for words to honor this fallen soldier, I recall President Lincoln's words to the families of soldiers who died at Gettysburg: ''We cannot dedicate, we cannot consecrate, we cannot hallow this ground. The brave men, living and dead, who struggled here, have consecrated it, far above our poor power to add or detract. The world will little note nor long remember what we say here, but it can never forget what they did here.''

It is my sad duty to enter the name of Brian R. Bowman in the RECORD of the U.S. Senate for his service to this country and for his profound commitment to freedom, democracy and peace. I pray that Brian's family finds comfort in the words of the prophet Isaiah who said, ''He will swallow up death in victory; and the Lord God will wipe away tears from off all faces.''

May God grant strength and peace to those who mourn, and may God be with all of you, as I know He is with Brian.

CELEBRATING MARTIN LUTHER KING, JR.'S BIRTHDAY

Mr. CARDIN. Mr. President, I wish today to honor the life of Dr. Martin Luther King, Jr.

I would like to take this opportunity not only to talk about the man but also the movement. During a time of segregation, violence, unnecessary bloodshed, and ignorant bigotry, a man named Martin Luther King, Jr., graced the world with his poignant determination for peace. His life continues to inspire not only Americans but the world in continued efforts for equality amongst all men and women.

This week the Nation reflects on Dr. King's life and legacy. I remember being a young man during his lifetime. I remember not only the struggles he faced but the justice he longed for. As I reread Dr. King's letter from Birmingham Jail, where he wrote about trying to explain to one's child why she can't go to a public amusement park because she was Black; where he wrote about the humiliation of nagging signs that read ''white'' and ''colored;'' where he wrote about the internal fight against a ''degenerating sense of nobodiness,'' I ask our Nation not to return to such a time but instead continue to move our Nation forward in accepting all people.

While Dr. King was fighting for national civil rights, I was growing up in Baltimore City, MD. I attended a segregated public school, and I remember with great sadness how discrimination was not only condoned but, more often than not, actually encouraged against Blacks, Jews, Catholics, and other minorities in the community. I remember the local movie theater denying admission to African Americans. I remember the community swimming pools that had signs hanging that read, ''No Jews, No Blacks allowed.'' In the wake of death threats, physical attempts on his life, home bombings, and jail time, Dr. King fought for the rights Americans hold so dear. He fought for the right to vote, the right to equal access, the right to an equal education, and the right to be treated and seen as an equal.

More than 40 years later, our Nation has made significant progress. We have elected our first African-American President, we have women running Fortune 500 companies, we have the first female Speaker of the House, we have our first Latina Supreme Court Justice, and many more accomplishments have occurred. And while we have come a long way from segregated lunch counters and firehouses and dogs being unleashed on protesters, we still have not reached the mountaintop. There are still laws, policies, and negative perceptions that infringe on individual civil rights.

The issues of today are not so different than the issues of Dr. King's time. We are at war. There is discrimination. There are disparities. There is hate. We must fight and expose these injustices. Dr. King believed that you must expose injustices ''with all the tension its exposure creates.'' We must take up these issues. We must address health care disparities, discrimination in all forms, abuses in our criminal justice system, and bad legislative policies. We must not shy away from what great people before us worked so hard to bring to light. This is not the time for what Dr. King called the ''moderate.'' This is not the time for those who say they agree with us in the goal but fail to take direct action. This is the time for action against injustices.

When more than 40 million Americans don't have access to quality health care, an injustice has occurred. When Americans receive discriminatory sentencing, an injustice has occurred. When Americans are subjected to discriminatory lending, an injustice has occurred. When hate crimes are perpetrated, an injustice has occurred. When our country uses torture, an injustice has occurred. When any form of discrimination is used, an injustice has occurred.

So I ask my fellow colleagues in the Congress and my fellow Americans nationwide, as we start a new year, a new decade, remember that ''human progress never rolls in on wheels of inevitability; it comes through the tireless efforts of men willing to be coworkers with God . . .'' Stand with us as we take up the controversial issues of the day—immigration, employment nondiscrimination, pay equity for women, hate crimes, sentencing reform, education reform, and remember such actions are taken in dedicated efforts toward a more loving and just union.

Dr. King said that the ultimate measure of a man or woman is not where he or she stands in the moments of comfort and convenience, but where