(3) encourages educators and privacy professionals to discuss data privacy and protection issues with teens in high schools across the United States;

(4) encourages corporations to take steps to protect the privacy and security of the personal information of their clients and consumers, to design privacy into products they create where possible, and to promote trust in technologies; and

(5) encourages individuals across the Nation to be aware of data privacy concerns and to take steps to protect their personal information.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Senate Committee on Energy and Natural Resources. The hearing will be held on Tuesday, February 9, 2010, at 10 a.m., in room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to examine financial transmission rights and other electricity market mechanisms.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record may do so by sending it to the Committee on Energy and Natural Resources, United States Senate, Washington, D.C. 20510–6150, or by e-mail to Gina_Weinstock@energy.senate.gov.

For further information, please contact Leon Lowery or Kevin Huyler or Gina Weinstock.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the hearing scheduled before Committee on the Energy and Natural Resources, previously announced for February 9th, has been rescheduled and will now be held on Thursday, February 11, 2010, at 9:30 a.m., in room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on the U.S. Department of Energy's Loan Guarantee Program.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record may do so by sending it to the Committee on Energy and Natural Resources, United States Senate, Washington, D.C. 20510–6150, or by e-mail to Abigail_Campbell@energy.senate.gov.

For further information, please contact Mike Carr or Abigail Campbell.

NATIONAL DATA PRIVACY DAY

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 402.

The ACTING PRESIDENT pro tempore. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 402) expressing support for the designation of January 28, 2010, as ''National Data Privacy Day.''

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

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

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

The resolution (S. Res. 402) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 402

Whereas the protection of the privacy of personal information has become a global imperative for governments, commerce, civil society, and individuals;

Whereas advances in modern technology enhance our lives by increasing our abilities to communicate, learn, share, and produce, and every effort should be made to continue both the creation and the innovative use of such technologies;

Whereas the pervasive use of technologies in our everyday lives and in our work gives rise to the potential compromise of personal data privacy if appropriate care is not taken to protect personal information;

Whereas many individuals are unaware of data protection and privacy laws generally and of specific steps that they can take to help protect the privacy of personal information;

Whereas a continuing examination and understanding of the ways in which personal information is collected, used, stored, shared and managed in an increasingly networked world will contribute to the protection of personal privacy;

Whereas National Data Privacy Day constitutes an international collaboration and a nationwide and statewide effort to raise awareness about data privacy and the protection of personal information;

Whereas government officials from the United States, Canada, and Europe, privacy professionals, academic communities, legal scholars, representatives of international businesses and nonprofit organizations, and others with an interest in data privacy issues are working together on this date to further the discussion about data privacy and protection;

Whereas privacy professionals and educators are being encouraged to take the time to discuss data privacy and protection issues with teens and young adults in schools and Universities across the country;

Whereas the second annual recognition of National Data Privacy Day will encourage more people nationwide to be aware of data privacy concerns and to take steps to protect their personal information; and

Whereas January 28, 2010, would be an appropriate day to designate as National Data Privacy Day: Now, therefore, be it

Resolved, That the Senate—

(1) supports the designation of a National Data Privacy Day;

(2) encourages State and local governments to observe the day with appropriate activities that promote awareness of data privacy;

(3) encourages educators and privacy professionals to discuss data privacy and protection issues with teens in high schools across the United States;

(4) encourages corporations to take steps to protect the privacy and security of the personal information of their clients and consumers, to design privacy into products they create where possible, and to promote trust in technologies; and

(5) encourages individuals across the Nation to be aware of data privacy concerns and to take steps to protect their personal information.

ORDERS FOR MONDAY, FEBRUARY 1, 2010

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 2 p.m. Monday, February 1; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day; that the Senate then proceed to a period of morning business until 3 p.m., with Senators permitted to speak for up to 10 minutes each; that following morning business, the Senate proceed to executive session to debate the nomination of Patricia Smith; finally, I ask that the RECORD remain open until 12 noon today for the introduction of legislation, submission of statements, and cosponsors requests.

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

PROGRAM

Mr. REID. Mr. President, the next vote will be at 5:30 p.m. Monday. That will be on the motion to invoke cloture on the nomination of Patricia Smith to be Solicitor for the Department of Labor.

I announced earlier that the vote on Monday will end at 5:50 p.m. If somebody's plane is late, or whatever the situation, that is what it is going to have to be. We have to close that vote for procedural purposes, as everybody knows.

ORDER TO ADJOURN

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

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

DEFICIT REDUCTION

Mr. SESSIONS. Mr. President, a number of things of importance have happened with regard to our financial condition over a period of years. Actually, this week the President, in his State of the Union Address, made some reference to the seriousness of our financial condition. I think his comments were far too weak, and he insufficiently advised the American people of how serious our condition is.

Yesterday, in the Budget Committee, Mr. Elmendorf, who is the CBO Director selected by our Democratic majority in the Congress and whom I think tries his best to do the right thing day after day and give us the right numbers to make our plans upon, told us a lot of things that were very troubling. He was just repeating that the dire predictions and dire assessments they have made previously, which are, if anything, on track and getting worse. They haven't misjudged the numbers and how bad our debt is increasing, but, in fact, if anything, they may have underestimated them.

I will just quote one thing in his statement to us yesterday. He talked about analyzing the American debt or how much money we owe as a percentage of the size of our economy—as a percentage of GDP, gross domestic product. That is one way economists like to look at it. He pointed out that the numbers might look a little better, but there are a number of things that are on the table that are likely to occur. I think he is exactly correct about that; if those things occur then the situation realistically is even worse. He analyzed if the tax cuts were made permanent and if the alternative minimum tax is indexed for inflation. The President proposed to make some of the tax cuts permanent, and Members of Congress are reluctant to see taxes increase substantially, which will occur if the tax cuts aren't extended but are allowed to expire. Each year we address the alternative minimum tax because it is falling ferociously on middle-income Americans, and disproportionately on families with children. Every year, we indexed it and fixed it so it doesn't impact so many people, but for 1 year only. But when the CBO tries to predict the budget deficit, they have been assuming that the AMT would go back to its high rate, and we would have more income coming in because we are taking these increased taxes from American families.

However, instead of fixing it permanently, which would score a loss of revenue over 10 years, we only fix it 1 year, and the CBO has to assume based on what the law is that it would not be fixed again and that these taxes will be imposed on Middle America and we will have more revenue and make the budget numbers look better. But I don't think we are going to not fix AMT. Frankly, we may not be able to 100 percent fix it, in my view, but that is what the votes have been each year, to fix it 100 percent.

He notes that if annual appropriations keep up with the increasing gross domestic product, as they have over the last 20 years, which is about where increases in spending has fallen, the deficit in 2020 would be historically large as a percentage of GDP, and the annual deficit would be large as a percentage of GDP. Then he said:

> The debt held by the public would equal nearly 100 percent of GDP. This is a level of debt that most economists say has the ability to create instability and a lack of confidence in the United States Government and it would have adverse economic ramifications throughout our economy. In other words, once the Nation reaches this high of a level of debt, we have a very serious problem, and it is very difficult to extract yourself from the cliff with those kinds of huge deficits.

I think the President should have talked about that in real detail. He did say on the discretionary accounts, which amount to about 18 percent of our budget, he would like to have a freeze, and he made some exceptions and said that freeze wouldn't be this year, though. Instead, it would be next year because that is the way things work, and I wish to talk about that for a minute. I think our Congress needs to be more serious about it, and the President needs to be more serious about it.

Senator MCCASKILL, my Democratic colleague, and I offered an amendment yesterday that was voted on, and I think 17 Democrats joined with all but one Republican to vote for it, and it would have helped. It would have said the budget we passed—which I will explain to my colleagues how we violate it—the budget we passed that allows the 1 percent to 2 percent increase in discretionary spending accounts would be enforced. In other words, there would be a cap on our spending. So we put in this amendment that we offered the actual dollar amounts in the budget we passed last year—or basically the Democrats passed last year—and we wouldn't go above that. It would take a two-thirds vote to go above those top line numbers. That would work. This was done in 1990 and in 1997. They had statutory caps, not just budget caps, and those statutory caps led to a consistent reduction in annual deficits to the point that by the late 1990s we were in surplus for 4 years from 1998 through 2001. We had surpluses for the first time in decades. Then we allowed the statutory caps to expire and we got back on this spending track that has put us in this deficit situation that exceeds anything we have ever done before in the history of the American Republic; nothing close to it, except World War II.

But when the war ended, we promptly got back on the right track and brought the economy back into sound shape. I don't see us heading in that direction. It is going to take bold leadership.

We received 56 votes to put these statutory caps in, but it took 60, so it is not the law. I am disappointed about that. If you want to know the truth, I think the leadership in the Senate didn't mind how many voted for it, as long as it wasn't 60, because it crimps their style.

The President, during his State of the Union Address, made some confusing statements about his commitment and the depth of it to dealing with the problem. He gave some lip-service to the freeze, which I think I am going to support, and I will back him on that all I can. I hope he can do that. However, there were other things that were contrary to a freeze. For example, he said we were going to take money from the Wall Street bailout, the TARP money as we call it, and he said:

> I am proposing that we take $30 billion of the money Wall Street banks have repaid and use it to help community banks give small businesses the credit they need.

Well, that sounds OK, except that is $30 billion more. Well, we took it from the TARP money that they paid back, so that doesn't count. That doesn't count? It does count.

At the budget hearing yesterday, Senator GREGG, the ranking Republican and former chairman of the Budget Committee, who is an expert on this and very respected, asked this question of Mr. Elmendorf.

The budget Chairman:

> There has been a lot of talk about the fact that the TARP money is available to spend somewhere else. First, the law doesn't allow that.

Parenthetically, I would note that Senator GREGG put in the language. He foresaw that when the banks paid back the money they were given as part of this financial bailout, it shouldn't be used as a slush fund to spend. He wrote it in there. So he said:

> First, the law doesn't allow that. It is supposed to reduce the debt. But I want to clarify the fact that there is no TARP money. All of this money has to be borrowed, right? Every cent of the TARP money is borrowed from China or somebody else, right?

Mr. Elmendorf answered:

> There is just one pool of government money and everything else is sort of accounting treatments to keep track of various purposes. But, yes, if more is spent through the TARP, that is just more that's spent and more that's borrowed, and more that goes to the Federal debt.

So there is no free money in the TARP repayments. We borrowed the money, every penny of it, to give to those banks. When they pay it back, we have a debt to pay down.

That is what we were supposed to do. That is what Senator GREGG put in the bill. Now they claim they have some free money paid back by the banks, and we can just spend it. That is what the President said, and it is not accurate. That is wrong, and it doesn't prove to me that he understands he has to fight every day over every billion dollars to contain the natural tendency of this body to spend.

Mr. President, I point out that even though the President talked about a freeze, he talked about $30 billion for banks, not big banks, but this free money he apparently suggests has now appeared as a result of the repayment of the loans they got in the financial bailout. Some of the banks didn't even want the loans. They forced them to take it, basically. Some have been told they should not pay it back. They don't want them to pay it back, when the banks are ready to pay it back. At any rate, some of that is paid back. We borrowed the money to give it to them. When it is paid back, it is not extra, free money. We always assumed that most of this money would eventually be paid back.

I point out as to how big a need it is to spend $30 billion out of this money for community banks instead of big banks, to give small businesses credit. Well, what did the community banks say? They don't want the TARP.

According to the Christian Science Monitor yesterday, the headline is: ''Community Bankers to Obama on TARP: Thanks, But No Thanks.'' Community bankers say they have plenty of money now. That isn't the problem with loaning money. It says:

''The whole TARP program is perceived as a misadventure by the public,'' says Dennis Jacobe, chief economist for Gallup, Inc. in Washington. ''I think it is greatly disliked.''

Now we are getting the money back from the big banks, and now the other bankers said they don't need it. Also, as we talk about money, the President is proposing a second stimulus package. The first one passed was scored at $787 billion, the largest expenditure in the history of the American Republic—a breathtaking amount of money, so large that most people have not been able, in any realistic way, to apprehend how large it is. I just point out that the State of Alabama, one-fiftieth of the Nation, an average-size State with over 4 million people—our budget, the general fund, is about $2 billion.

Senator WARNER was Governor of Virginia and did a fabulous job and was well respected for his work. I am sure they didn't have a $100 billion budget. I don't know what it was, but it is a lot less than that.

We spent over $700 billion on one vote on one day, out the door, and every penny of it was borrowed because we were already in debt. So if you spend more money, you have to borrow it. However, now it is not $787 billion. Based on some of the entitlement language we put into the bill, it is now at $862 billion. Some people said they would not vote for a bill over $800 billion, so they got it under. In truth, surreptitiously, they put in guaranteed benefits for certain programs, and those have now claimed the money, and it is over $800 billion. I think it is $862 billion. That is a pretty big overrun—$75 billion. Just like that. We didn't vote on it really.

Now we have stimulus II. This is what the President said:

Now the House has passed a jobs bill that includes some of these steps [referring to clean energy and high-speed rail]. As the first order of business this year, I urge the Senate to do the same. . . .

I thought we had a freeze on spending. Let me tell you what the House's so-called jobs bill does. It costs $150 billion. Spending. Another $150 billion in spending, with $28 billion for highways, and about $2.5 billion for railroads, and $2 billion for clean energy.

Well, if I recall, we were told that the $787 billion stimulus bill was designed for what primary purpose? Jobs and to rebuild our crumbling infrastructure. They talked about roads and bridges that have fallen in and interstates getting old and needing all this work. Do you remember that? That is how the bill was sold by this administration. I don't want to be just partisan carping, but that is what they told us.

Amazingly, less than 4 percent of the stimulus bill that we passed—the $787 billion package—went to highways and infrastructure, less than 4 percent. I complained about that. I remember making speeches on it because jobs are created when you build a highway. At least you have something permanent that benefits the Nation—perhaps replacing a bridge that you are going to have to replace anyway, and you get a benefit for everybody from improving our infrastructure, although that is not a philosophy that will always stand us in good stead. We were trying to create jobs, and at least we should have focused on infrastructure.

Now they are coming back with $150 billion more—$28 billion for highways and $2.5 billion for railroads. That is not good management of money. That is not good spending.

The President went on to say this:

According to the Congressional Budget Office, the independent organization that both parties have cited as the official scorekeeper for Congress, our approach would bring down the deficit by as much as $1 trillion over the next two decades.

He is talking about the health care bill that did not pass. He said it would bring down the deficit by as much as $1 trillion. That is not accurate. The CBO on December 19 of last year, trying to get out these scores as fast as they could, said it would cut the deficit by roughly $1 trillion. Then they revised it 1 day later. The official score was that it would reduce the deficit about half that amount.

As I explained on the floor, that is a product of miscalculation—deliberate miscalculation. Let me explain.

The way they get this score in the first 10 years, for example, is they said it would create a surplus of $132 billion if we would pass this health care bill. Isn't that great? You add 20 million people to the rolls, give many of them subsidized health care, and you are going to reduce the costs and you are going to save money. That is a pretty good deal if you can get it. But, of course, you cannot get something for nothing. Nothing comes from nothing.

What happened was, Medicare scored that if you cut Medicare benefits, as the administration proposed, and you increase Medicare taxes, as they proposed, you create extra money in Medicare and you extend the life of Medicare. Medicare is going into bankruptcy, but this would extend the life of it. That is an honest and correct score.

The Congressional Budget Office utilizes what it calls the unified budget. They score the whole budget as to how it comes out. The amount of money is increased to the government through Medicare, and they score that as a gain. Since the health care bill would not take effect or pay benefits until 4 or 5 years later—although the taxes increase now—then over 10 years, it would create a surplus of $132 billion. Sound good? But I read the small print of the CBO letter and the small print of the Medicare letter.

The Medicare Chief Actuary told us that if you raise taxes and you cut spending in Medicare, it will extend the life of Medicare. But he had a parenthetical line in there. He said: Of course, you cannot simultaneously use the Medicare savings to fund a new program and claim it does both. You would be spending the money twice. How logical is that? But that is what they did. He used this phrase: ''Although the conventions of accounting might suggest.'' What he is saying is, Medicare scores the money. They scored it accurately. Mr. Elmendorf and CBO score it as a unified budget. They said you have more money for Medicare and spending in the first 10 years of the health care plan—it is less than that—so you have a net surplus, right? Looks good. Sounds good. But that is not so because there is a bond, a debt instrument from the U.S. Treasury back to the Medicare Trust Fund. As soon as Medicare starts going into deficit again, they are going to cash in those bonds and the government is going to have to then borrow the money on the open market.

According to the CBO, it would not increase the deficit but it would increase the debt of America. When we raised the debt limit yesterday—and my colleagues voted to do so—the internal debt between the Treasury and Medicare, counts as part of the Nation's debt. It is an internal debt. It is not scored the same way. But sooner or later, when Social Security and Medicare start cashing in and claiming their money, the U.S. Treasury has to do something. What they are going to do and what they have been doing is convert those debt instruments and go out and sell bonds in the marketplace. Whatever the interest rate, they have to pay to China, individuals in the United States, and others who buy those Treasury bills. We are selling so many of them it is no doubt going to drive up the interest rate.

These numbers are not real. My concern and my criticism of the President's address is not that he said we ought to have a freeze. I salute that, and I will support that. But he did not indicate the severity of the crisis we are in.

Two years ago, President Bush's last year, he had a $460 billion deficit which I think at that time was the highest deficit since World War II. It spiked up as a result of increased spending and the recession we are in. Last year, the debt was $1.4 trillion, 1,400 billion dollars, three times what it was. And this year the projected deficit is going to be almost the same, according to Mr. Elmendorf's report.

It continues this way, unfortunately, throughout the decade and will average, based on the planned expenditures and revenues as set forth by the Obama administration's budget, almost $1 trillion a year in deficits. This is why experts are repeatedly telling us it is unsustainable. We will be maintaining deficits twice as large as anything we have ever seen for the next decade.

Let me show what it means in one area that I think all of us can understand. When you borrow money, you pay interest on it. Each year, the interest we pay on the debt is one of the biggest line items in the whole budget. If the debt goes up from $5.7 trillion in 2008 to $17 trillion in 2019, which is what they project will happen, the interest rate is going to go up. It will go up even more than that. It will go up more. Interest rates are extraordinarily low as a result of the economic slowdown. They are going to go up, and they are going to hit us in the book.

Here is what CBO says will happen. In 2009, we paid $200 billion in interest on the debt. In 2019, they project we will pay $799 billion. They project an increase in rates and an increase in debt—a tripling of debt and an increase in interest rates—which leads to four times as much interest being paid over that period of time. Frankly, it does not include some other factors in there also.

I have to say to my colleagues, I am sorry we did not pass the statutory cap we offered this week. But I was encouraged by so many of our Democratic colleagues who saw fit to support it. I think it is indicating there is a recognition in this body that we are going to have to do some tough things. We cannot keep spending like this. There is always some excuse for it. We cannot continue it.

Think about this. The Federal Highway Program a few years ago, before we had the stimulus package, was about $40 billion a year. Federal aid to education is about $40 billion a year. Other programs are in that range. It gives you a picture of what kind of dollars we are talking about. But if you add $600 billion in increased interest payments over this next decade, in 1 year $600 billion more, this is going to crowd out spending for all kinds of programs that we wish to fund.

We are going to be in a dilemma. How much more can we borrow—100 percent of GDP? More?—without destabilizing our currency or cutting spending? And it is going to crowd out spending on items we need to be spending money on. It is going to be crowded out by the interest payment which will exceed all expenditures in the budget, well above the defense budget even, the largest expenditure.

This is a stunning path we are on. Mr. Elmendorf reconfirmed it yesterday in his testimony before the Budget Committee. I am worried about it. The American people are worried about it. I don't think they know it is as bad as it is, but they know it is not good. They know there is no free lunch. They know nothing comes from nothing, and that we have to pay for what we do around here. We cannot continue to borrow, borrow, borrow, stimulate today and maybe 1 day in the future we will get around to paying it.

I offer to you, in 2019, there is no plan to pay down a dime of the debt. It is just to pay the interest on the debt. In 2019, we will add $1 trillion more to the debt of America. It is going up almost $1 trillion a year, and these are outyears, according to CBO analysis. Nothing is perfect that far out. It could be better; it could be worse. They are not projecting a recession in the outyears; they are projecting steady economic growth. It could be worse.

We have to do better. This is not a matter that is going away. The American people instinctively have it right. They are telling us in rallies and tea parties: You guys have to do better. You are being irresponsible. I think they are fundamentally correct. They have every right to be upset with us. We can do better. We must do better. And I hope we will.

Mr. President, I thank you for the opportunity to make these remarks. It is something we are going to have to continue to work on. We cannot continue this path. If we put our mind to it, we can fix this situation. It is not a challenge beyond our capacity. But make no mistake, financially I doubt we have ever been in a situation that requires as much clarity and as much determination as is going to be required over the next decade, and some painful decisions are going to have to be made. They are going to have to be made.

That means containing spending and resisting the temptation to create more and more new programs that inevitably cost more than they were projected to when they started.

I thank the Chair, and I yield the floor.

ADJOURNMENT UNTIL MONDAY, FEBRUARY 1, 2010, AT 2 P.M.

The ACTING PRESIDENT pro tempore. The Senate stands adjourned until Monday, February 1, 2010, at 2 p.m.

Thereupon, the Senate, at 11:39 a.m., adjourned until Monday, February 1, 2010, at 2 p.m.