

from placing bets against the securities it created. The amendment would have also imposed new limitations on proprietary trading, limitations which are also critical to repairing financial markets and which are contained in more limited form in the Dodd bill.

The Senate Parliamentarian ruled that the Merkley-Levin proprietary trading and conflicts of interest provisions were germane to the Dodd bill. That is because the Merkley-Levin conflicts provision targets the same problem as the Dodd proprietary trading section—stopping financial firms from putting their own interests ahead of their clients. Our proprietary trading provision and our ban on conflicts of interest are essential to restoring client confidence in U.S. markets. They are within the scope of the conference and ought to be included in the conference report.

The financial landscape today is littered with the damage done by financial firms which pursued short-term profit at the expense of their clients, U.S. taxpayers, and the economy as a whole. Those financial firms cannot be allowed to continue to sell securities to clients and then bet against them. It is essential to remove these schemes that have undermined U.S. financial markets. I urge my colleagues in both Chambers, as they discuss final Wall Street reform legislation, to keep in mind how damaging these schemes have been, to strengthen the Dodd proprietary trading provisions, and to include a ban on conflicts of interest.

I thank the Presiding Officer.

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

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

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent the order for the quorum call be rescinded.

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

#### DISCRETIONARY SPENDING CAPS

Mr. SESSIONS. Mr. President, when our colleagues arrive, I will be pleased to yield the floor to them, but I will be offering, after 3 o'clock, along with Senator CLAIRE McCASKILL, my Democratic colleague from Missouri, an amendment we voted on before in the Senate. It is an amendment that would establish 3-year discretionary spending caps, limits on how much we can spend, how much debt we can run up. To violate those limits, it would take a two-thirds vote of the Senate and the House to pass. So this is a spending limitation amendment that will have some teeth to it.

It will allow us to have in effect a budget because it looks like, even in light of the incredibly disastrous financial crisis we are in, we will not pass a budget this year. We need to do that. But the House has not even moved one.

One has been moved out of committee on a straight party-line vote, but there are indications we may not move it in the Senate, and if the House does not move, we will not have a budget.

What our amendment would do is help fill that gap. That is another reason for it. It would set spending limits for 3 years. The limits we would set are the limits President Obama submitted as spending limits last time. I recall, of my colleagues, 59 Senators voted for it, 1 short of moving through the Senate, a few weeks ago. I will talk about that at 3.

I see my colleague is here, Senator JOHANNIS. I will be pleased to yield the floor. We will talk about this amendment later.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska is recognized.

#### THE HEALTH CARE PLAN

Mr. JOHANNIS. Mr. President, I rise to speak a little bit about the health care plan that was passed now a few months ago. Of course, there was a lot of buildup to that plan. One of the things that was said over and over again by President Obama was: "If you like your health care plan, you can keep your health care plan."

The White House, of course, has very vigorously defended that promise. In fact, the White House responded to an op-ed that was entitled "No, you can't keep your health care plan." That is what that op-ed was titled. The White House responded last week on the White House blog and they said this:

The 150 million Americans with employer-sponsored health insurance—who make up the vast majority of those with health insurance today—will not see major changes to their coverage.

The White House's Stephanie Cutter went on to say:

At the end of the day, employer-sponsored insurance will be improved but will look much the same as it does now.

The administration is continuing to try to convince the American people that, in fact, that is going to be the case. However, no matter how many times they say it, study after study tells us the opposite. Less than 2 months ago, after the bill became law, clear evidence is now emerging that the promises are impossible to keep. Recently, certain companies were required by securities law to report the impact of the new health care law on those companies. The company reports so concerned supporters of the health care law that they said we are going to bring these companies in. We are going to do an investigation. We will have a hearing on this. However, when they reviewed these companies' internal documents, the supporters of the health care law, those demanding the hearing, immediately backed off. You see, they saw in black and white why so many Americans are going to lose the health care coverage they like under this legislation.

Companies with longstanding employer-sponsored health plans were legitimately, lawfully, legally contemplating just paying the fine instead of continuing the more expensive employee insurance programs. Yes, all of a sudden the hearing was canceled. There was no interest in the hearing. One can speculate it was canceled because the findings would have exposed a very serious policy flaw of the health care law.

Headlines are hard to defend when they shout: "Companies contemplate dropping employer-sponsored health insurance plans."

This is very worrisome, but it is not unexpected. Last July I spoke about this on the Senate floor, right at this spot. I and many others warned that the proposed penalties for businesses would create a very perverse incentive. I said this:

When you do all the math, this is no penalty at all compared to the cost of private insurance. It would encourage employers to dump their employees from their health insurance.

That is what I said a year ago. But supporters of health care reform denied it. They provided assurance to the American workers that they, in fact, would be able to keep their health insurance plan. Now, 10 months later, what is happening? Companies are, in fact, contemplating dropping their plans. Why? Because that perverse incentive is there.

To do so would significantly lower their costs and increase the costs for taxpayers and Medicare beneficiaries. Let's look at AT&T, for example. You see, for them, paying the Government fine instead of providing employee insurance would cut their annual health care expenses from \$2.4 billion annual expenses to \$600 million. That is a 75-percent savings.

Other companies, though, have sent similar signals. An official with John Deere has indicated they should look into, "just paying the fine." Caterpillar said this: They are giving this "serious consideration."

Another survey showed that these are not isolated cases. A Washington State University survey, published in the Puget Sound Business Journal, concluded this:

[A]bout a third of Seattle area executives said it may be cheaper for their businesses to stop offering health care benefits and pay fines.

If a major employer discontinues health insurance for its employees, brace yourself, because its competitors will do the same. The savings are just too dramatic, and that is not the only problem out there. The Congressional Budget Office cost estimate assumed that companies would be covering more employees in 10 years, not less. This optimistic view may have led to a very optimistic cost projection. If employees lose their employer-sponsored insurance plans, then they are going to be forced to get their health insurance elsewhere, likely through the health

insurance exchanges. Then they would be eligible for government subsidies.

Let me state that another way: They would be eligible for taxpayer-paid subsidies to cover that cost. This will cause the actual cost of the bill to skyrocket. From almost a year ago until early this year, many of us warned that this law was built on the shakiest of policy grounds and even shakier projections relative to its financing. Yet proponents said don't worry. As we go forward, though, expect more bad news about this very flawed piece of policy.

The White House can do all it wants to try to convince Americans of the merits of this law. But you know what. When Americans lose the insurance they like and businesses struggle to grow and expand, Americans will wonder how Congress could have been so foolish to pass such poor policy.

Many warned this was coming. Unfortunately, the warnings were ignored in the effort to try to get this passed. I remember standing here on Christmas Eve, voting against this piece of legislation.

But this new law is far from reform. It spends \$2.6 trillion to take this great Nation in the wrong direction. Now, hopefully, I pray that in the near future more rational minds can agree on a more rational national policy. But until then, the adverse consequences will continue to fill the headlines and, more important and sadly, Americans will be hit by the realities of this flawed policy. They will have no recourse if one day their boss walks in and announces that it is more cost-efficient for this company to say to them: Go to the exchange. We will not be providing a health insurance plan. You see, in this country employees do not work by contract.

My hope is we can agree on a more efficient policy before we are left wondering why there are so many broken promises.

I yield the floor.

#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

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

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

The legislative clerk proceeded to call the roll.

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

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

#### MAKING EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2010

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to the consideration of H.R. 4899, which the clerk will report by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4899) making emergency supplemental appropriations for disaster relief and summer jobs for the fiscal year ending September 30, 2010, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with an amendment and an amendment to the title.

[Strike out all after the enacting clause and insert the part printed in italic.]

#### H.R. 4899

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2010, and for other purposes, namely:*

#### TITLE I

#### CHAPTER 1

#### DEPARTMENT OF AGRICULTURE

#### FARM SERVICE AGENCY

#### AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

*For an additional amount for gross obligations for the principal amount of direct and guaranteed farm ownership (7 U.S.C. 1922 et seq.) and operating (7 U.S.C. 1941 et seq.) loans, to be available from funds in the Agricultural Credit Insurance Fund, as follows: guaranteed farm ownership loans, \$300,000,000; operating loans, \$650,000,000, of which \$250,000,000 shall be for unsubsidized guaranteed loans, \$50,000,000 shall be for subsidized guaranteed loans, and \$350,000,000 shall be for direct loans.*

*For an additional amount for the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: guaranteed farm ownership loans, \$1,110,000; operating loans, \$29,470,000, of which \$5,850,000 shall be for unsubsidized guaranteed loans, \$7,030,000 shall be for subsidized guaranteed loans, and \$16,590,000 shall be for direct loans.*

*For an additional amount for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$1,000,000.*

#### EMERGENCY FOREST RESTORATION PROGRAM

*For implementation of the emergency forest restoration program established under section 407 of the Agricultural Credit Act of 1978 (16 U.S.C. 2206) for expenses resulting from natural disasters that occurred on or after January 1, 2010, and for other purposes, \$18,000,000, to remain available until expended: Provided, That the program: (1) shall be carried out without regard to chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act") and the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and (2) with rules issued without a prior opportunity for notice and comment except, as determined to be appropriate by the Farm Service Agency, rules may be promulgated by an interim rule effective on publication with an opportunity for notice and comment: Provided further, That in carrying out this program, the Secretary shall use the authority provided under section 808(2) of title 5, United States Code: Provided further, That to reduce Federal costs in administering this heading, the emergency forest restoration program shall be considered to have met the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for activities similar in nature and quantity to those of the emergency conservation program established under title IV*

*of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 et seq.).*

#### FOREIGN AGRICULTURAL SERVICE

#### FOOD FOR PEACE TITLE II GRANTS

*For an additional amount for "Food for Peace Title II Grants" for emergency relief and rehabilitation, and other expenses related to Haiti following the earthquake of January 12, 2010, and for other disaster-response activities relating to the earthquake, \$150,000,000, to remain available until expended.*

#### GENERAL PROVISIONS—THIS CHAPTER

SECTION 101. None of the funds appropriated or made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out a biomass crop assistance program as authorized by section 9011 of Public Law 107-171 in excess of \$552,000,000 in fiscal year 2010 or \$432,000,000 in fiscal year 2011: Provided, That section 3002 shall not apply to the amount under this section.

SEC. 102. (a) Section 502(h)(8) of the Housing Act of 1949 (42 U.S.C. 1472(h)(8)) is amended to read as follows:

"(8) FEES.—Notwithstanding paragraph (14)(D), with respect to a guaranteed loan issued or modified under this subsection, the Secretary may collect from the lender—

"(A) at the time of issuance of the guarantee or modification, a fee not to exceed 3.5 percent of the principal obligation of the loan; and

"(B) an annual fee not to exceed 0.5 percent of the outstanding principal balance of the loan for the life of the loan."

(b) Section 739 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act, 2001 (H.R. 5426 as enacted by Public Law 106-387, 115 Stat. 1549A-34) is repealed.

(c) For gross obligations for the principal amount of guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, an additional amount shall be for section 502 unsubsidized guaranteed loans sufficient to meet the remaining fiscal year 2010 demand, provided that existing program underwriting standards are maintained, and provided further that the Secretary may waive fees described herein for very low- and low-income borrowers, not to exceed \$697,000,000 in loan guarantees.

#### CHAPTER 2

#### DEPARTMENT OF COMMERCE

#### NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

#### (RESCISSION)

*Of the funds made available under the heading "National Telecommunications and Information Administration" for Digital-to-Analog Converter Box Program in prior years, \$111,500,000 are rescinded.*

#### ECONOMIC DEVELOPMENT ADMINISTRATION

#### ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Pursuant to section 703 of the Public Works and Economic Development Act (42 U.S.C. 3233), for an additional amount for "Economic Development Assistance Programs", for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in States that experienced damage due to severe storms and flooding during March 2010 through May 2010 for which the President declared a major disaster covering an entire State or States with more than 20 counties declared major disasters under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974, \$49,000,000, to remain available until expended.

#### NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

#### OPERATIONS, RESEARCH, AND FACILITIES

*For an additional amount for "Operations, Research, and Facilities", \$5,000,000, for necessary expenses related to commercial fishery failures as determined by the Secretary of Commerce in January 2010.*