

have been held to honor African-American freedom while encouraging self-development and respect for all cultures;

Whereas, although Juneteenth Independence Day is beginning to be recognized as a national, and even global, event, the history behind the celebration should not be forgotten; and

Whereas the faith and strength of character demonstrated by former slaves remains an example for all people of the United States, regardless of background, religion, or race: Now, therefore, be it

*Resolved, That—*

(1) the Senate—

(A) recognizes the historical significance of Juneteenth Independence Day to the Nation;

(B) supports the continued celebration of Juneteenth Independence Day to provide an opportunity for the people of the United States to learn more about the past and to understand better the experiences that have shaped the Nation; and

(C) encourages the people of the United States to observe Juneteenth Independence Day with appropriate ceremonies, activities, and programs; and

(2) it is the sense of the Senate that—

(A) the celebration of the end of slavery is an important and enriching part of the history and heritage of the United States; and

(B) history should be regarded as a means for understanding the past and solving the challenges of the future.

#### ORDERS FOR THURSDAY, JUNE 17, 2010

Mr. DURBIN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Thursday, June 17; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and that following any leader remarks, there be a period of morning business until 10 a.m., with Senators permitted to speak therein for up to 10 minutes each, with the majority controlling the first half and the Republicans controlling the final half; that following morning business, the Senate resume consideration of the House message to accompany H.R. 4213, tax extenders, as provided for under the previous order.

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

#### PROGRAM

Mr. DURBIN. Mr. President, at approximately 12 noon, the Senate will proceed to a vote in relation to the Thune amendment No. 4333, the Republican alternative to the tax extenders legislation. Additional votes are expected to occur throughout the day in relation to amendments to the bill.

#### ORDER FOR ADJOURNMENT

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

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

Mr. DURBIN. 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. GRASSLEY. 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. GRASSLEY. Mr. President, I wish to speak as in morning business.

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

#### MUST-DO LEGISLATION

Mr. GRASSLEY. Mr. President, the legislative business before the Senate deals with the so-called tax extenders. These extenders, as important as they are, represent only a small portion of the time-sensitive tax legislative business that needs to be completed.

I have a chart that I have used the last few days illustrating the status of several pieces of absolutely must-do tax legislation.

Earlier this week, I discussed the lack of action on this year's alternative minimum tax. I refer to that as an AMT patch. In a day or two, I will discuss the failure of Congress to act on the bipartisan 2001 and 2003 marginal rate cuts and Family Tax Relief Act.

This evening, I want to discuss the lack of action on estate tax reform.

Most of my colleagues know this about me—for as many years as I have been a representative of the people of Iowa, I have never believed that death—a person dying—should be a taxable event.

Taxing people's assets upon their death is plain wrong, and their heirs should not be forced to sell a single asset in order to meet this arbitrary tax due date caused by death.

Company assets should not have to be sold to pay taxes. The market, in fact, should determine when things are bought and sold because that is the very best measurement when a willing buyer meets a willing seller and they agree on a price and a time when a company should be sold. In other words, if you have to do it because somebody died, a fire-sale approach probably does not determine the true value of that property and, consequently, less money to the heirs and even less tax money coming in.

That is where I come from. We ought to repeal the death tax. But that is not political reality. The political reality is that there are not 60 votes in the Senate for that policy. Unfortunately, while repeal is the law of the land today, in a few months the law will take a sharp turn in the other direction—a wrong direction.

Under current law, in 2011, we will once again have an estate tax due and owing within 9 months of death of 55

percent and even in some cases 60 percent. That is not right. We force many unwilling sellers to have to deal with a very willing shark of a buyer waiting in the murky waters of tax uncertainty.

Some people wonder why I care so much about this issue. Pundits might say that Iowa is poor compared to places such as New York City and that land and companies are not worth much.

Much of the press attention has been paid to what the current law does this year. For instance, the New York Times printed an article on how the current law repeal of the estate tax applies to a Texas billionaire who died a few weeks ago.

We are almost half a year away from a tax policy that a supermajority of Senators say they do not support. Yet we are stuck in a mud hole. This time-sensitive issue has taken a back seat in this body to everything else.

My colleagues may not know that Iowa has 99 counties, and I have visited each of the 99 counties every year for the last 29 years to hold town meetings and to get people's opinions. Let me give a couple examples I have learned of why I think this issue of doing something quickly about the estate tax is a very important issue and a very timely issue.

I want to talk about some people who live in Iowa. Not only do they live in Iowa, they have devoted their entire life for multiple generations to build businesses and create good jobs for the people of rural Iowa.

Over 44 years ago, Eugene and Mary Sukup started a grain handling and storage manufacturing company in Sheffield, IA. Today, the Sukups and their two sons and their families are still headquartered in Sheffield, IA, population of a whopping 990 people, about 300 more than the town in which I live. They employ over 300 people from five different counties in good-paying jobs with a good retirement plan.

In fact, the original employee team that started with them almost 40 years ago is still there today and, in many cases, the next generation has also joined the team.

This chart depicts one of the main products they make and sell. For city folks who are watching, this piece of equipment is a building called a grain bin. I have some grain bins such as this on my family farm that my son Robin operates.

I ask unanimous consent to have printed in the RECORD a short history of the innovative efforts of the Sukup family.

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

Sukup Manufacturing Co is a family-owned and operated company located in Sheffield, Iowa—right in the heart of Midwest farmland. The company manufactures a full line of grain storage, drying and handling equipment, as well as a line of implements.

The Sukup Grain Handling and Storage Solutions line includes grain bins for both on-farm and commercial storage, grain dryers for on-farm and commercial operations, axial and centrifugal fans and heaters, stirring machines, unloading equipment, bin floors and supports, drive-over hoppers, grain spreaders and Airway® Tubes. The implementation line includes cultivators, flail shredders, a wild game food plot planter and grain drills.

Sukup's focus in manufacturing has been to hire local, reliable employees and provide them with top quality tools with which to do their jobs. Sukup has made a considerable investment in manufacturing technologies. The manufacturing facilities in Sheffield house a number of welding robots, Computer Numeric Control (CNC) Machining Center, CNC Punching Centers, Mazak Lasers, and numerous roll forming machines. The company also utilizes progressive dies to speed production of high-usage parts. Sukup's bin production line is the most advanced and efficient in the industry. When Sukup entered the bin manufacturing business, they had the bin sidewall sheet and roof sheet lines built to their strict specifications by the leader in roll forming equipment. These machines are computer-controlled and maintain extremely tight tolerances that make Sukup Bins the best fitting and easiest to put together in the industry.

Ultimately, the key to Sukup Manufacturing Co's success has been its innovative ideas that have resulted in over 70 U.S. patents. Sukup Manufacturing Co currently produces a broad line of grain handling and storage systems as well as innovative tillage equipment. Sukup is a market leader with many of their products holding either the number one or number two spot in terms of market share for their respective product categories. In addition, Sukup products are sold not only throughout the U.S., but also in over 50 foreign countries.

One of the other factors in Sukup Manufacturing Co's success is their long-term employees. Nearly 30% of their full-time employees have been with the company for more than 10 years. Sukup equipment is built by people who understand their jobs and the important role they play in producing a successful product. In the past, to reward their employees for their dedication, Sukup has invited employees with 10 years of full-time employment with Sukup on a 7-day trip to the Hawaiian islands with their spouse. It is a great opportunity for co-workers to relax and get to know each other away from the workplace, which leads to tighter bonds when they return to their positions within the company.

If you're ever in the Sheffield, Iowa area (approx. 100 miles north of Des Moines or 150 miles south of Minneapolis, just off of I-35), stop in for a visit. We'll be more than happy to give you a tour of our facilities and introduce you to some of our employees. We're sure you'll be impressed by what you see.

Mr. GRASSLEY. Mr. President, in addition, they have facilities in six other States also contributing to those States' rural economies, such as Defiance, OH, Jonesboro, AR, Arcola, IL, Aurora, NE, and Watertown, SD—places where good jobs and hard work that is not flashy and does not make the scandal page of the big city newspapers are valued in those towns as important places of employment and contribute to the economy, places where people invest in the local economy and contribute as good citizens to community improvement and betterment.

They used to call these kinds of folks the "pillars of the community," in old-

fashioned terms. But in today's economy, these are folks devoted to American values and small town America. They may sell their products all over the United States. They also sell their products—would you believe it—all over the world. But you know what, they manufacture those products right there in that small community of Sheffield, IA. As a family farmer, the Sukup's have been successful because they make a great product, and this is one of their products.

I wish to move on to another little Iowa town, somewhat larger than Sheffield, the town of Shenandoah. That is where Lloyd Inc. is located. Shenandoah is a community of almost 5,000 people—4,944 to be precise. Our colleague Senator ENSIGN is the lone practitioner of animal medicine in the Senate. He might be familiar with the products that Lloyd Inc. in Shenandoah, IA, puts out.

It, too, is not a flashy company. They started making animal dietary mixes in 1958, and now they are a significant provider of veterinary drugs. The chart depicts one of Lloyd Inc.'s products. These are different animals. I am not going to go into too much detail about them.

Eugene Lloyd is a doctor of veterinary medicine. He is the CEO of the company. Dr. Lloyd has told me the company has never let go of any employees due to poor business cycles.

Lloyd Inc. employs well over 90 well-educated people in this community of Shenandoah in southwest Iowa. The company has also provided generous health care and retirement plans to their employees, and as I said, in rural America, those benefits are very important.

Finally, both the company and Dr. Lloyd and his family have given generously throughout the years to educational scholarships, unrestricted grants to Dr. Lloyd's and his wife's alma mater, and provided financial and product support to address disasters, both locally and internationally.

Unfortunately, even after vigilant estate planning, these two families, the Lloyd and the Sukup family-owned companies will be facing a very large combined estate tax bill. That bill could total tens of millions of dollars between the two companies. That is tens of millions of dollars that will leave the State of Iowa. These companies might face a fire sale, and so often in this circumstance a company is sold to someone with no interest or no desire to maintain the current location or contributions to the community.

There are two companies, two towns, six counties, four families, and hundreds of employees, and all will be hurt if we do not do something about the death tax. Businesses will be sold, locations will be shut down, real people will lose good jobs. The State of Iowa will lose tens of millions of dollars of hard capital invested for over 90 years between these two companies. I barely even mentioned how much salary, re-

tirement plans, and charitable contributions they have made to those little Iowa communities.

The multinational or foreign companies will come calling. They will be circling these home-grown businesses. Trust me, they will. We have seen it before. Perhaps they will be accompanied by sharpie hedge-fund types from big cities, such as New York, Boston or Chicago. They will go to places such as Sheffield and Shenandoah, but they will not go there to live. When they arrive we will have no one else to blame but us, right here in the Congress, for letting these family-owned companies committed to the community go away.

The punitive death tax policy passionately pushed by my liberal friends will have greased the skids. It will have killed the local roots of these successful small town businesses. All of us from rural America are trying to battle what is called out-migration. If we leave the death tax in place in its punitive form, in 2011 it will take away jobs, businesses, and people out of rural America. That is why I care about this death tax debate: because of real people in real Iowa communities invested in expanding in those rural counties.

It is strange, in New York City, how many multimillionaires live in any one block in Manhattan. But those so-called multimillionaires seem a little different when you check out the Iowa corn crop or you sit together at church or at a grandson's baseball game. They are, as the popular book says, "The Millionaire Next Door." They are the pillars who help hold up all those 99 counties that I visit every year.

I know these are not the kinds of stories that make the front pages of our big city newspapers. When family businesses are sold and shut down or move out of the State or even move out of the United States, it certainly makes the front pages of the newspapers that I really care about. So when you hear about the number of estates affected, keep in mind to some extent that statistic is only a snapshot. The estate tax return is filed by the representative of a dead person. Those statistics so often dwelled on by many of the proponents of the death tax do not capture the full picture. The statistic is only a look at the dead person who owned the business or farm. It does not take into account the dead person's family, the dead person's employees, the dead person's neighbors. All of those folks are affected if the death tax burdens that family's business or farm and causes it to move on to some other owner and maybe out of the community.

There seems to be a strategy by the bicameral Democratic leadership to slow-walk a resolution of this vexing problem. The slow-walk strategy will leave the American people with the current law, and that current law is \$1 million compared to the zero today or what we could have as a compromise between the House and Senate: \$3.5 million on the one hand, \$5 million on the other.

The junior Senator from Vermont as always is passionate and transparent about what he thinks and believes. He has said we should retain current law. His position is that \$253 billion in revenue gained from current law is better spent by those of us in Washington, no doubt spent on what the junior Senator believes are valuable programs, probably some programs that I support.

Should his view prevail, however, we will see the essence of the economic policy of the Democratic leadership over the past 18 months. It will be another income redistribution policy. The President defined it a couple of years ago. It will be a program designed to “spread the wealth around.” More taxes for those who have saved and sacrificed during life, more spending on those who are demanding ever more generous tax-funded subsidies. That is basically what redistribution is all about. It is about folks in this city of Washington “spreading the wealth around.”

I have heard rumors and read press reports that indicate that various Senators have a lot of company in the House and Senate Democratic caucuses. For instance, maybe the position taken by the Senator from Vermont might have that support. But those who share his view or views like that have not been as transparent as the junior Senator from Vermont, who is very transparent. You know exactly where he stands, and that is an honorable position for any Senator to take. I say that even though I disagree with him some.

The number of quiet supporters of the junior Senator from Vermont may be high enough to prevent the Democratic leadership from allowing a clean vote on a bipartisan compromise. I believe that bipartisan compromise is one of a \$5 million exemption and a 35-percent tax rate compared to the \$3.5 million and 45 percent tax rate in the House of Representatives.

The American people need to hear some data about how current law will apply when it goes to that million-dollar exemption. They need to know where the revenue will come from. So we always go, around this Senate, to the Joint Committee on Taxation. That is a nonpartisan official congressional scorekeeper on the issue of taxes—and all taxes. We need to also know about the number of affected estates.

Under current law it will be at least—can you believe it—at least 10 times higher than what it would be under the Lincoln-Kyl bipartisan compromise that I just described, the compromise that would cap the death tax rate at 35 percent. It would also provide that unified credit equivalent amount of about \$5 million.

So here is that data from that nonpartisan Joint Committee on Taxation that you see right here. We are going

to talk about current law, which is the tax law that is right now going to take effect in 2011 if we do not do anything. That is going to arrive in just a little over 6 months.

Under current law, 44,000 estates will be taxable. Under the Lincoln-Kyl compromise, 4,000 estates would be taxable. You can see here, for the year 2011, Lincoln-Kyl, 4,000; current law, with a \$1 million exemption, 44,400 estates. That is quite a big difference.

It means that current law, the path on which we seem to be slow-walking, means 10 times the number of estates will be hit by the tax. The Lincoln-Kyl compromise means that only the top 10 percent, the wealthiest estates, will be hit by the death tax.

If you project that out, as this chart does, 8 years of current law over the 10 years, you will find that roughly 616,000 estates will be taxed over that period, and under the Lincoln-Kyl compromise, roughly 54,000 estates would be taxable over that period of time.

To give everyone a bit of perspective, I wish to share some Iowa farm data. It is from the U.S. Department of Agriculture. Under current law, in a bit over 6 months, with the \$1 million exemption that is on the law now taking place, the line between a taxable farm and nontaxable farm will be that \$1 million.

The U.S. Department of Agriculture reports that there were 92,800 farms covering 86 percent of Iowa in 2007. In 2007, the average Iowa farm was 331 acres. According to a survey conducted by Iowa State University in 2009, the average acre was worth \$3,371. That means that a farm the size of the 2007 Iowa average, at average 2009 prices in Iowa, is going to be worth \$1,446,801. In 2007, there were 19,302 Iowa farms with 500 or more acres worth at least \$2.1 million at average 2009 prices. Now, keep in mind that farmers sometimes carry debt. That would reduce the value of the farm. But, on the other hand, farmers have other farm-related assets, such as the farm machinery to operate it, that are not included in the figures I just cited.

This data shows that the current-law estate tax could hit many Iowa farmers. For those folks working the lands, this is an unwelcome certainty. As I indicated earlier, the tax is an impediment to passing on the family business—in this case, the family farm. Current-law death taxes, quietly supported by, apparently, many Members on the other side—and that is that \$1 million figure—will act as an incentive to break down many family farms and small businesses. These family farms and small businesses form the economic backbone of their hard-working heartland communities.

What amazes me is the zeal by some to use tax policy to inflict this kind of damage on family farms and small

businesses such as the two I pointed out in Shenandoah, IA, and Sheffield, IA. All of this is somehow supposed to fund an ever-expanding set of Federal benefits to many who do not pay any income tax. The signal sent is that those who work hard, save, and want to pass something on to their family exist solely to fund these bloated Federal programs. So why work hard? Why save? Why not work less? Why not go into debt and live beyond your means? In the end, the government levels everyone out at death by, as the President said, “spreading the wealth around.”

I have not touched on the damage being inflicted now by our inaction on estate tax reform. At every townhall, I hear from folks—in fact, I just finished a half hour monthly television program I do back in the State of Iowa. And one of the callers called in: When are you going to do something about the estate tax? Kind of embarrassing to tell him. I told him to watch my speech that I was going to give just as soon as the program is over. So here I am. But everybody at my townhalls—I hear from folks who ask these kinds of questions. They ask: What is the law going to be? Will it be retroactive? When will the Congress address this action? Why delay?

Recently, I received a letter that was signed by 750 Iowa attorneys asking for a resolution of this issue. At a time when families are dealing with the emotional and financial stress of the death of a family member, why do we add this additional confusion and anxiety for the family or for a counselor who cannot even advise his clients on what they should do in planning an estate?

I am afraid I do not have a good answer for these folks, just as a few minutes ago on my television program I did not have an answer for that person who called in from Pocahontas, IA, wanting to know what we are going to do about this. But we do need to get an answer. Hopefully, it is one that will be bipartisan, such as Lincoln-Kyl, and limits the reach of the death tax to at least the top 10 percent of the wealthiest estates. At the very least, we owe the American people an open and intellectually honest debate and votes up or down on a very fair policy.

Resolving the estate tax nightmare with real reform is time-sensitive tax legislation business. It is nowhere on the Senate’s radar screen. As I point to this checklist once again that I bring to the Senate almost every day, I urge my friends in the Democratic leadership to put it on the Senate’s radar screen.

I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M.  
TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 9:30 a.m., Thursday, June 17, 2010.

Thereupon, the Senate, at 8:27 p.m., adjourned until Thursday, June 17, 2010, at 9:30 a.m.

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NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF STATE

SUZAN D. JOHNSON COOK, OF NEW YORK, TO BE AMBASSADOR AT LARGE FOR INTERNATIONAL RELIGIOUS FREEDOM, VICE JOHN V. HANFORD III, RESIGNED.

JUDITH R. FERGIN, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE.