



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 111<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 156

WASHINGTON, WEDNESDAY, JULY 14, 2010

No. 104

## Senate

The Senate met at 10 a.m. and was called to order by the Honorable TOM UDALL, a Senator from the State of New Mexico.

### PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Almighty God, by Your providence, You gave us a nation conceived in liberty and dedicated to equal justice for all.

Today, infuse our lawmakers with this spirit of liberty and justice so that their labors will reflect Your purposes and plans. May their knowledge of your providential purposes keep them from detours that lead away from abundant living. May their small successes prompt them to attempt larger undertakings for human betterment. As they seek to do Your will, bless them with the awareness of the constancy of Your presence. Lord, guide them by Your higher wisdom and keep their hearts at peace with You.

We pray in Your great Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable TOM UDALL led the Pledge of Allegiance, as follows:

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

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, July 14, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable TOM UDALL, a Senator from the State of New Mexico, to perform the duties of the Chair.

DANIEL K. INOUE,  
President pro tempore.

Mr. UDALL of New Mexico thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

### SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will proceed to a period of morning business until noon. Senators will be allowed to speak for 10 minutes each during that period. The majority will control the first 30 minutes and Republicans will control the next 30 minutes.

We are working hard to come to agreement on amendments dealing with the small business jobs bill. I had a conversation with the Republican leader last night. We are hopeful we can reach agreement to move forward on that legislation today. We have to have consent to move off Wall Street reform, but I think that will not be a problem.

As a reminder, yesterday I filed cloture on the conference report to accompany H.R. 4173. That cloture vote will occur sometime tomorrow morning. I will work with the Republican leader to come up with a time that is convenient to both sides.

### MEASURE PLACED ON THE CALENDAR—H.R. 5618

Mr. REID. I understand H.R. 5618 is due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the bill for the second time.

The legislative clerk read as follows:  
A bill (H.R. 5618) to continue Federal unemployment programs.

Mr. REID. I object to any further proceedings at this time.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

### RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

### SMALL BUSINESS JOBS BILL

Mr. McCONNELL. Mr. President, my friend the majority leader mentioned the small business jobs bill. I recently had an opportunity to talk to Senator SNOWE, who is the author of that legislation. I assured her we are anxious to move forward. I appreciate his bringing up the discussion we have been having about reaching a consent agreement that would allow us to expedite the bill. I know my friend from Nevada shares my view that small business is an area that needs attention. We are going to continue to try to come to agreement to move forward with that very important piece of legislation which I support and I believe most Members of my conference do as well.

Mr. REID. Mr. President, as I have said before, this legislation is bipartisan. Most of the bill has been crafted in the past when Senator SNOWE was chairman of the Small Business Committee. I am glad to hear my friend Senator SNOWE has had a conversation with the Republican leader. That is good news. We will see what we can do to move on. I hope everyone realizes that jobs in America are not created in large numbers by big companies; it is small businesses.

In the past few months, we passed a relatively small piece of legislation, but it has been extremely helpful to

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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small business. We extended the highway bill for a year. That saved 1 million jobs in America, hundreds of jobs in Nevada. We also had a provision that was unique and has created some jobs that has been extremely helpful. If somebody is out of work for 60 days, they can be hired for 30 hours. We don't set what price they can be hired, the minimum wage or whatever. At the end of their report period for withholding, they don't have to pay the withholding tax. At the end of a year, we give them a \$1,000 tax credit for every employee. We also did something that was totally bipartisan, a bill developed by Senators SCHUMER and HATCH. That is what I just talked about. That was totally bipartisan. We had another provision in that bill that said that a small business, if they wanted to buy a piece of equipment, whether it was an automobile, furniture, whatever it might be, no longer had to depreciate that. Up to \$250,000, they could simply write it off. We also added to that bill some money for Build America Bonds which local governments loved. That has created some jobs, but it is relatively small compared to the other things we have in this bill before the Senate now. I am glad to hear what the distinguished Republican leader had to say about that.

Mr. MCCONNELL. The majority leader is entirely correct about the importance of small business. We know it creates the vast majority of jobs. There is no question that small business at this particular point is kind of frozen with concern about the economy, about increased regulation, the potential for increased taxation as well. Senator SNOWE has certainly been the leader on our side on focusing on small business and small business job development. I am hoping we can work out a way to go forward on a bipartisan basis. It sounds to me as though both sides agree on the premise. Now if we can get a procedure for moving forward, hopefully we can address this most important subject.

#### RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

#### MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of morning business until 12 noon, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first 30 minutes and the Republicans controlling the next 30 minutes.

Mr. REID. 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. CARPER. 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.

Mr. CARPER. Good morning, Mr. President.

#### IMPROPER PAYMENTS

Mr. CARPER. Mr. President, I rise today to applaud, really, to share with our colleagues an important step by Congress to curb waste and, I think, fraud within the Federal Government. Later today our colleagues over in the House, where both the Acting President pro tempore and I once served, are expected to approve a piece of legislation—not a sexy title, but it is called Improper Payments Elimination and Recovery Act—and then they are going to send that bill to the President for his signature.

Every year, for about the last 6 or 7 years, Federal agencies have been required by law—important payments law signed by George W. Bush—to review their payments and to figure out which ones were appropriate and which ones were inappropriate. Initially, back in the middle of the last decade not very many agencies complied with the new law. But thanks to the perseverance of OMB and the commitment of a number of agency and department heads, over time more and more Federal agencies have begun reporting improper payments, mostly overpayments.

As we gather here today, there is still a number of very large agencies that do not comply with the law. The Department of Defense is a huge expender of taxpayer money. The Department of Defense does not comply with the law. The Department of Homeland Security complies in part with the law. If you look at Medicare, for Medicare Parts A and B, I believe they actually do a fairly decent job of complying with the law but for Parts C and D they do not.

But even without the full compliance of all Federal agencies reporting their improper payments, last year close to \$100 billion of improper payments were reported by the agencies that are already reporting them. That does not include the Department of Defense. It does not include all of Homeland Security. Frankly, it does not include some other major programs of the Federal Government.

But the good news here is that, one, agencies are beginning to report their improper payments. That is good. The second thing we want them to do is stop making the improper payments. The third thing we want them to do is to figure out where the improper payments have gone, especially the overpayments, and go out and recover the money. That is what we are about here: identify the improper payments and once they have been identified, stop making them. And the third thing is to

go out and recover as much of the money as we can.

Why is this important? Well, I think we all know our Nation has a large and growing debt. I am not so sure when the Acting President pro tempore joined the House of Representatives, but I believe he may have been there by the end of the Clinton administration and may recall when we actually had balanced budgets. We went from 1968—I want to say to 2000—maybe 2001—when we actually balanced our budget.

I remember being in a hearing here in the Senate where one of our witnesses—I am not sure; I think somebody from the Federal Reserve maybe, maybe somebody from Treasury—actually expressed concerns at the time that we were in danger of paying down our debt too quickly and that we had some threat of destabilizing our financial system or our economy. Imagine that: a decade ago concerns about paying down our debt too quickly.

Well, we did not do that. We did not pay down our debt at all. Between 2001 and 2008, we doubled our Nation's debt. In those 8 years we ran up as much new debt as we did in the previous 208 years of our Nation's history. We are on course now—even though we are starting to see deficits that begin to trend down—to double our Nation's debt again over the next decade, unless we do some things dramatically different.

Our President, to his credit, has suggested among the things we do are these: No. 1, to put an overall freeze on domestic discretionary spending, starting with this October 1, for the next 3 years. Certain programs within the overall discretionary spending budget can go up, some can go down, but overall, for 3 years, a freeze, and not a freeze that is just adjusted with the cost of living but an actual freeze on nominal dollars.

The second thing he suggested we do—when we tried to do this on the floor, seven of our Members who cosponsored the legislation, the Acting President pro tempore may recall, ended up voting against it. But the idea was to create a commission, much as we have had earlier commissions, and especially back in 1982 we created a commission—President Reagan was the President, Tip O'Neill was the Speaker—to actually examine Social Security, which was about to run out of money. They came up with a bunch of ideas that were adopted and implemented in 1983.

But anyway, when we failed to adopt by law and create a statutory commission on deficit reduction to look at entitlements, to look at revenues, our President, by executive order, created the commission. Erskine Bowles is one of the cochairs, former Chief of Staff to President Clinton. Alan Simpson, a Republican Senator, retired, from Wyoming is the other cochair. The people, for the most part, on the commission are very serious, very smart people. They have been meeting quite a bit.