

should not be a part of that law or any other law, for that matter. Thus, I am offering an amendment to repeal this mandate.

The amendment says no to piles of unnecessary paperwork which the IRS itself admits is going to be virtually useless. Any taxpayer with business income will be required to issue 1099 forms to all vendors from whom they buy more than \$600 of goods or services in any year. So now the most routine business expenses will be subject to this new burdensome paper trail.

Let me give my colleagues some examples. A laundromat that buys soap each week would now have to issue a 1099 to their supplier and the IRS at the end of the year. A landscaper who buys lawn fertilizer a couple of times a month will now be forced to issue 1099s to the companies they do business with, and no one is excluded. The law applies equally to businesses and churches and charities and even State and local governments.

A recent *cnmoney.com* article suggests that the cost of the new paper trail could literally swamp small companies. One small business organization conducted a survey and found that their members currently average about 10 1099 filings per year. The new rules would push that average to more than 200 filings—200 filings—per year, an almost 2,000-percent increase. Of course, their costs for that would skyrocket.

According to the National Federation of Independent Business:

At \$74 per hour, tax paperwork is the most expensive paperwork burden placed on small businesses by the Federal Government.

Small businesses have been hit so hard by this recession, they just simply cannot afford this new burden. We need to give them a break. They are imploring us to do something to help them.

According to the National Taxpayer Advocate, which is part of the IRS, this provision will affect—get this—40 million businesses in the United States, including 26 million of our very smallest businesses, our sole proprietorships.

Americans are desperately searching for jobs. They want to work. These businesses should be focused on growing, not be wasting their resources on unnecessary paperwork that the government won't even utilize.

The amendment I introduced is clear. It simply repeals the section of the law requiring the extra paperwork. I might add, it is paid for. It identifies two areas within the health care law to fully offset the repeal of this mandate. First, by lowering the affordability exemption from the new individual mandate from 8 percent to 5 percent, fewer individuals will be subject to the individual mandate.

The new health care individual mandate infringes on individual freedoms of Americans and, in my view, it has constitutional problems. People who did not want to buy government-approved insurance in the first place are compelled to buy it under the new law. Thus, exempting more people, espe-

cially the poorest among us, from this absolutely ill-advised mandate is a good thing. These folks may be living paycheck to paycheck and requiring one more thing to come out of that paycheck instead of making the mortgage payment or buying the groceries is not right. Thus, allowing more people to decide for themselves whether they buy health insurance when they look at all their other obligations is a positive.

Let's be clear. My amendment does not restrict these individuals from buying health insurance or signing up for government subsidies. My amendment simply says, if they don't want to, they don't have to.

Second, the new health care law establishes a \$15 billion, what I would regard as a slush fund for a long list of potential uses by the Obama administration, including the Community Transformation Grants Program. I generally support wellness programs. I believe in wellness. Who doesn't believe in wellness? However, concern has been raised that this fund will be used for a number of purchases that aren't specifically related to healthy outcomes. Thus, my amendment proposes that this fund not be allocated resources until 2018 to help offset removing this 1099 provision. It decreases the amount in this \$15 billion fund; it doesn't eliminate it, but it does give us time to get it right. Besides, this delay gives us more time to ensure that only worthy projects utilize taxpayer money. These outlined pay-fors will cover any government revenue that might be lost by this ill-advised 1099 provision. With record deficits, we must be accountable for tax dollars, so this amendment is fully offset.

Small businesses generate 64 percent of our job growth in this country. We need them. We need them to move us toward economic recovery. Let's send a message that we want them to focus their time and money on hiring workers, on expanding our economy, not filling out unnecessary paperwork that even the IRS acknowledges is so overwhelming it will not be utilized.

My hope is, we will get a vote on this amendment later today, and I ask my colleagues to stand for small businesses, to stand by them, and to send the message to them that we want them creating jobs. I ask my colleagues to support this very common-sense amendment.

I yield the floor and I note the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. 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. MCCONNELL. Mr. President, I am going to proceed in my leader time.

The ACTING PRESIDENT pro tempore. The leader has that right.

DEFLECTING ATTENTION

Mr. MCCONNELL. The small business bill we are now considering has an interesting history, and given the President's recent statements on the bill, it is worth recounting that history.

Remember, we got on this bill in June. But then Democrats took us off of it to move to financial regulation. Then last week, they took us off of it again to move to the DISCLOSE Act.

So if the President wants to criticize somebody about slowing this bill down, he simply has the wrong party. He needs to direct his criticism at Democrats, not Republicans.

The fact is Democrats had other priorities. They thought it was more important to impose job-killing regulations on the financial industry and give even more authority to the kinds of regulators who missed the last financial crisis.

They also thought it was more important to shut up their critics ahead of the fall elections by pushing a bill that amounted to an all-out assault on free speech.

These are the things Democrats have been doing instead of the small business bill. Yet the President continues to claim that somehow Republicans are the problem. Well, it is obvious what they are doing: They want to deflect attention away from the fact that trillions of dollars in government spending and debt has failed.

Spending, debt, regulations, more government—none of it has worked. Now they want to raise taxes on the very small businesses that are trying so desperately to create jobs.

It is time to change course and to do something that will create lasting private sector jobs and get us moving in the right direction.

Democrats can try to deflect attention away from their failed policies all they want, but the consequences of their actions are obvious to the American people.

It is time to put aside the liberal wish list and allow America's small business men and women to do something that has a chance of reviving this economy. Spending, debt, and tax hikes are the last things we need.

Republicans have offered a number of ideas to improve the small business bill and, until now, those amendments have been obstructed by the other side and, along with them, the bill itself.

I am encouraged to see that the majority has changed its mind and now seems committed to staying on this bill, allowing votes on Republican better ideas, and working with us on something other than raising taxes, growing the debt, or burying job creators in a sea of new regulation.

ENERGY

Mr. President, it is perfectly obvious that Democrats are doing their best to keep us from passing a serious energy bill before the August recess.

Later today, we expect the majority leader to offer the Democratic alternative to the oilspill response that the Republicans proposed last week.

This is not a serious exercise. All indications are that they don't intend to have a real debate about one of the most important issues we face. Anybody who has been here for any period of time knows that energy bills take at least a couple of weeks. So it doesn't appear there is either the time or the willingness on the other side to debate this critical issue.

We would have liked to have had a debate on ideas we have already offered. Our energy bill would give the President the ability to raise the liability caps on economic damages done by companies such as BP, without driving small independent oil producers out of business.

It would lift the administration's job-killing moratorium on offshore drilling as soon as new safety standards are met—a moratorium that one senior Gulf State Democrat says could cost more jobs than the oilspill itself. How can you have a serious energy debate without addressing a problem that a leading Gulf State Democrat said is costing more jobs than the oilspill itself?

Our bill has a true bipartisan commission—with subpoena power—to investigate the oilspill, rather than the President's antidrilling commission.

Importantly, it also takes good ideas from Democrats, including Senator BINGAMAN's idea for much needed reform at MMS. Surely, we can all agree that this administration's oversight at MMS is in need of major reform.

Our bill includes revenue sharing for coastal States that allow offshore drilling to help them prepare for and deal with disasters such as the one we have right now in the gulf.

We have our own ideas, we have some of their ideas, and our bill doesn't kill jobs; it doesn't put a moratorium on production.

We are not interested in yet another debate about a Democratic bill in which the prerequisite is killing more jobs.

Our bill would address this crisis at hand. Their bill would use the crisis to stifle business and kill jobs in a region that is in desperate need of jobs.

It was my hope we could have a real debate about energy. Clearly, the majority—at least so far—isn't interested in that debate.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

ENERGY REGULATIONS

Ms. MURKOWSKI. Mr. President, it has now been 99 days since the Deepwater Horizon drill rig caught fire and

sank to the ocean floor. That incident—and the millions of barrels of oil that have spilled into the Gulf of Mexico since it began—has made it absolutely clear that our Nation's offshore energy regulations need to be reformed. Even in a Congress as deeply and bitterly divided as this one, the fact that we are living through a terrible environmental disaster, caused at least in part by certain failures of the government, should be more than enough for us to work in good faith and reach consensus on a path forward.

For the past 3 months, that is exactly what the members of the Energy Committee have sought to develop. We have been working toward a responsible path that is acceptable to all—or at least most—of the Members of the Senate. We started by holding four major hearings on the gulf spill. This allowed us to build a record within the committee on everything from blowout preventers to certificates of financial responsibility. Our committee worked very hard on this. We spent countless hours working on legislation to repair the failed offshore regulatory system. We concluded our efforts last month, after all these series of hearings, and we unanimously passed legislation, S. 3516, the OCS Reform Act, out of committee unanimously. Around here nowadays, sometimes it is tough to get not only that real good committee work product but then to see that move through committee unanimously. It is not easy, and it is certainly not a perfect bill, but it was a fair and open process. I would like to think that our hard work within the committee and the negotiating that went on, and our very open markup and amendment process—what we did was the best of the Senate. It was an open and fair and a deliberative process. You would think that would go somewhere. But once that bill left committee, it became clear that some people cannot take yes for an answer, and that good committee product was not going to be advanced.

About the time we were marking up the MMS bill, we witnessed a deeply misguided effort to tie oilspill legislation to cap and trade. I think this was an attempt to literally convert one disaster into another. We were told that cap and trade was somehow or other going to end our dependence on oil and hold polluters accountable and prevent future spills. Then an analysis of cap and trade from the EPA itself showed that cap and trade would have almost no effect on our Nation's oil consumption—not now and not over the course of the next 40 years. After nearly 19 months of vote counting, I think the majority was forced to admit the obvious: There are not 50 votes, let alone 60, for cap and trade in the Senate.

What we now have before us is this coming together, or slapping together, of the Clean Energy Jobs and Oil Company Accountability Act—the bill that members of the press and the lobbyists received before my staff on the Energy

Committee. A draft came out last night around 10 o'clock. I am told it will be officially introduced sometime this morning.

Again, this is such a disappointment. Instead of an open and transparent process as we did through our committee, what should and what could have been a bipartisan bill was hashed out in secret, written behind closed doors with very few Members of the Senate, least of all Members from the Gulf States, allowed to provide any level of input.

Since its 409 pages of text were released late last night, we have not had time to thoroughly review it, to develop amendments, negotiate improvements, or even decide if it is worth supporting yet. We have instead been told the majority leader is unlikely to allow amendments to be considered—unlikely to allow any amendments to this just-cobbled-together bill.

I can only imagine it is because there are provisions that are contained in this bill to which he does not want to draw attention, much less talk about and vote on. The phrase, "rush to judgment," is used a lot around here. I challenge my colleagues to find a more flagrant example of that than what we have in front of us with this bill.

We talk around here about why Congress's approval ratings are as low as they are. We are at about 11 percent right now. It is bills such as this—when people look at this and say, How did this come about, what happened to the committee bill—that makes cynics out of all of us, especially when we know there is a very serious problem that demands a quick and robust policy response.

Instead of working together to fix the problems, the majority leader's bill would undoubtedly create more problems. The Senate's process and our traditions have just been left in the ditch. Decisions have been made almost exclusively in secret behind closed doors. Republicans were shut out of the room. But, of course, we are going to be blamed for holding up the bill.

One has to ask the question, Does anyone honestly believe that we in the Senate can pass something by Friday or perhaps early next week that we did not even see the light of day on until this morning?

I suggest that from every procedural vantage point, it seems as if the majority's goal has been to drive a stake into the heart of anything that can attract Republican support. The staging of this bill has been choreographed to ensure partisan opposition so the majority can blame us for the problems they are making even worse, such as the job losses from the moratorium, the increase in reliance on foreign oil—which, of course, we know is coming—the injustice of Federal OCS revenues never reaching coastal States such as in Alaska and the gulf where they derive in the first place.

The Democratic caucus can try to pass this bill as introduced without